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STATE OF MONTANA

Report to the Legislature

MONTANA STATE UNIVERSITY

MONTANA COOPERATIVE EXTENSION SERVICE

MONTANA AGRICULTURAL EXPERIMENT STATION

Financial/Compliance Audit
For the Two Fiscal Years Ended June 30, 1983

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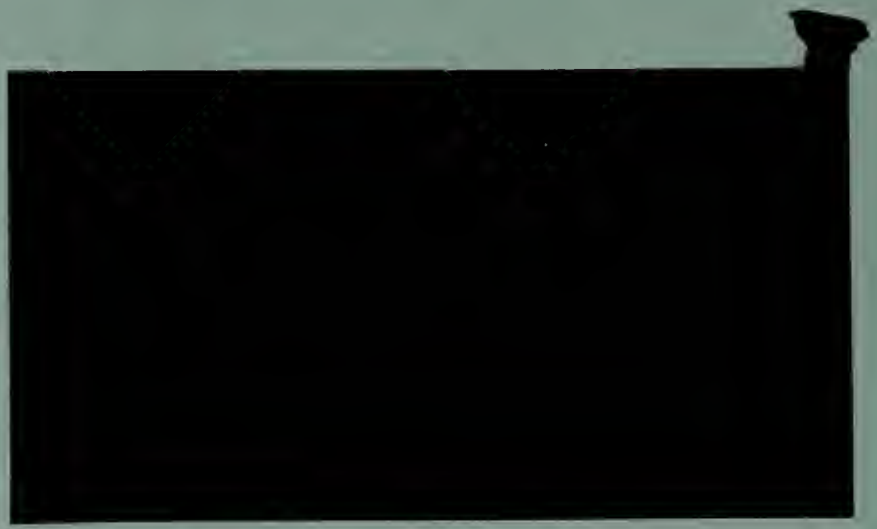

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For the Two Fiscal Years Ended June 30, 1983

83-8

Office of the Legislative Auditor
Room 135, State Capitol
Helena, Montana 59620

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APPOINTIVE AND ADMINISTRATIVE OFFICIALS

BOARD OF REGENTS OF HIGHER EDUCATION

		Term Expires
Ted Schwinden, Governor *		1984
Ed Argenbright, Superintendent of Public Instruction *		1984
Jeffrey Morrison, Chairman	Helena	1987
Mary Pace, Vice Chairman	Bozeman	1985
Darla Keck, Student Regent	Havre	1984
Elsie Redlin	Lambert	1984
Bert Hurwitz	White Sulphur Springs	1986
Robert Knight	Missoula	1989
Beatrice McCarthy	Anaconda	1990

* Ex officio members

COMMISSIONER OF HIGHER EDUCATION

Dr. Irving E. Dayton, Commissioner of Higher Education

John Noble, Deputy Commissioner for Financial Affairs

ADMINISTRATION

Dr. William Tietz, President

Dr. Stuart Knapp, Vice President for Academic Affairs

Dr. James Pickett, Acting Director of Administration

Dr. John Jutila, Vice President for Research

Dr. James Welsh, Director, Agricultural Experiment Station

Dr. Carl J. Hoffman, Vice President for Extension and Director, Cooperative Extension Service

Thomas E. Nopper, Vice President for University Services

SUMMARY OF RECOMMENDATIONS

This listing serves as a means of summarizing the recommendations contained in the report and the audited agency's response.

	Page
Recommendation #1 The university properly eliminate inter-departmental transactions from its financial statements.	4
Agency Response: Concur. See page 123.	
Recommendation #2 The university record construction in progress in accordance with the university system accounting manual.	5
Agency Response: Conditionally Concur. See page 123.	
Recommendation #3 The university:	
A. Ensure charges to grantors are based on the time and effort reports.	7
Agency Response: Concur. See page 124.	
B. Make cost adjustments of $9,653 on National Science Foundation grant number CME-7901636 and $2,865 on National Science Foundation grant number PRM-8011449.	7
Agency Response: Do not concur. See page 124.	
Recommendation #4 The university continue to work with the U.S. Department of Education and resolve the issue of interest earnings on NDSL funds.	7
Agency Response: Concur. See page 124.	
Recommendation #5 MSU restrict the use of federal cash to the applicable federal programs in accordance with federal regulations.	8
Agency Response: Concur. See page 124.	

SUMMARY OF RECOMMENDATIONS (Continued)

Page

Recommendation #6
The university continue efforts to ensure all earned additional compensation is paid through the payroll system. 11

Agency Response: Concur. See page 124.

Recommendation #7
The university establish and follow adequate inventory count procedures. 12

Agency Response: Concur. See page 125.

Recommendation #8
The university follow state purchasing law and policies. 13

Agency Response: Concur. See page 125.

Recommendation #9
The university:

A. Comply with state law and notify the Surplus Property Bureau of items no longer needed by the university. 14

Agency Response: Concur. See page 125.

B. Enforce its requirement to notify property control prior to disposing items. 14

Agency Response: Concur. See page 125.

Recommendation #10
The university seek legislation to change the law concerning Morrill Act report due date. 14

Agency Response: Concur. See page 125.

INTRODUCTION

We performed a financial compliance audit of the Montana State University (MSU) and the related Cooperative Extension Service (CES) and Agricultural Experiment Station (AES) for the two fiscal years ended June 30, 1983. The objectives of the audit were to: (1) determine if the financial statements present fairly the financial position and results of operations of the university for the two fiscal years ended June 30, 1983; (2) determine if the university complied with applicable laws and regulations which could have a significant effect on the financial statements; and (3) make recommendations for improvements in the management and internal accounting controls of the university.

This report contains ten recommendations to the university. These recommendations address areas where management, internal control, financial reporting, and compliance with laws and regulations can be improved. Other areas of concern deemed not to have a significant effect on the successful operations of the university programs are not specifically included in the report, but have been discussed with management.

In accordance with section 5-13-307, MCA, we analyzed the costs of implementing the recommendations made in this report. Each report section discloses the cost, if significant, of implementing the recommendation.

We thank the MSU staff for their cooperation and assistance during the audit.

BACKGROUND

Montana State University was founded on February 15, 1893, as the Agricultural College of the state of Montana and instruction started on April 17 of that year. The school was later named Montana State College, and on July 1, 1965, it became Montana State University (MSU). The university is a land-grant institution as authorized by the Morrill Act of 1862 and receives part of its support from land-grant income, as well as state appropriations, student fees, and federal and private grants.

The public service function of the university had its origin in the establishment of the Cooperative Extension Service (CES) in 1915, created under the Smith-Lever Act and state legislation. Financial support for its operation comes from county, state, and federal governments, as well as federal and private grants. County agents and specialists are an integral part of the university and channel information to all Montanans to aid solving home, farm, and community problems.

The Agricultural Experiment Station (AES) is also an integral part of the university. It was established in 1893 by the Montana Legislature under authorization provided by the Hatch Act of 1887. The station receives federal funds under the Hatch Act, as well as state appropriations, federal and private grants, and funds from the sale of surplus agricultural products. The Agricultural Experiment Station has eight locations in the state, excluding the Bozeman campus. The station components are devoted to solving present and future agricultural and home economics problems of local, regional, and national concern. The distribution of research centers is such that the peculiarities of local or area soil, water, and climate can be considered.

The president of Montana State University is the chief executive officer for all three units: university, extension, and experiment station. The president is responsible for the immediate direction, management, and control of the institution under the general supervision and direction of the Board of Regents.

UNIVERSITY ACCOUNTING

One of the primary purposes of financial statements is to provide uniform, comparable information to the readers. College and University Business Administration (CUBA) issued by the National Association of College and University Business Officers is acknowledged by college and university administrators and professional accountants as the authoritative source for generally accepted accounting principles for colleges and universities, public and private. Financial statements prepared using CUBA accounting

principles should provide the readers with uniform, comparable information.

The following report sections discuss two instances where MSU accounting practices are not in accordance with CUBA and/or state accounting policy. Accordingly, MSU's financial statements are not necessarily comparable to the statements issued by the other units of the Montana University System or other colleges and universities.

Interdepartmental Transactions

CUBA requires interdepartmental transactions to be accounted for as an increase in current fund expenditures of the department receiving the materials, services, or capital assets and as a decrease in current fund expenditures of the transferring department. Thus, total institutional expenditures are not inflated by the transactions. Examples of interdepartmental transactions include sales and services of service departments or central stores and transfers of material and equipment from one department to another. Any differences between the revenue from sales and services and the operating costs of service departments or central stores, whether a profit or loss, should be treated as Institutional Support expenditures. The result of this treatment is to recognize expenditures of institutional departments as if the services had been obtained from sources outside the university.

Several MSU service entities, including the service shop, motor pool, chemistry store, computer service, and copy service, provide supplies and services to various MSU departments. During fiscal years 1981-82 and 1982-83, MSU service centers provided approximately $5,037,000 and $4,707,825 of service to other departments. The CES Multilith center provided approximately $142,000 and $99,300 of service to other CES departments in fiscal year 1981-82 and 1982-83, respectively. MSU records revenue and expenditures in the Designated Fund for activity related to these service departments instead of abating expenditures for the revenue collected. Using this procedure overstates current fund revenues and expenditures in the Designated Fund by $5,037,000

in fiscal year 1981-82 and $4,707,825 in fiscal year 1982-83 for MSU and $142,000 in fiscal year 1981-82 and $99,300 in fiscal year 1982-83 for CES. This issue was noted in our prior audit report.

RECOMMENDATION #1

WE RECOMMEND THE UNIVERSITY PROPERLY ELIMINATE INTERDEPARTMENTAL TRANSACTIONS FROM ITS FINANCIAL STATEMENTS.

Construction Reporting

During fiscal years 1981-82 and 1982-83, the university had capital projects which were financed through the Long Range Building Program administered by the Department of Administration, Architecture and Engineering Division. According to the University System Accounting Manual (USAM), the university should report an addition in the Unexpended Plant Fund equal to the expenditures reported by Architecture and Engineering Division. The Unexpended Plant Fund is used to account for construction activity of long term plant assets.

In reporting construction activity on its financial statements, the university properly records the expenditures paid by Architecture and Engineering. However, in the year the appropriation is authorized, the university records a state appropriation addition in the Unexpended Plant Fund equal to the amount appropriated and establishes a construction advance for the difference between the amount appropriated and the expenditures incurred. In subsequent years, the university reduces the construction advance by the amount of expenditures reported on the projects.

The following misstatements in the university's Unexpended Plant Fund resulted from using the above procedure:

	Fiscal Year 1981-82	Fiscal Year 1982-83
Revenue	$4,959,766	$(2,946,960)
Prior Year Revenue	14,416	
Construction Advance	4,974,182	2,027,222
Beginning Fund Balance		4,974,182
over(under)stated		

RECOMMENDATION #2

WE RECOMMEND THE UNIVERSITY RECORD CONSTRUCTION IN PROGRESS IN ACCORDANCE WITH THE UNIVERSITY SYSTEM ACCOUNTING MANUAL.

FEDERAL GRANTS

Introduction

MSU received grants from the various federal agencies indicated on the Schedule of Federal Grant Expenditures on pages 41 through 49. Our audit of federal moneys was performed in accordance with the requirements in the U.S. Office of Management and Budget (OMB) Circulars A-21 and A-110 and the student aid audit guides prescribed by the U.S. Department of Education.

We reviewed a sample of the grants on the Schedule of Federal Grant Expenditures to determine whether reported costs were allowable and reasonable, whether grant terms were complied with, whether grant reports were accurate, and whether the students were eligible to receive student aid.

Costs charged to grants which are unallowable according to OMB Circulars A-21 and A-110, the specific grant provisions, and costs which are not adequately documented are considered questioned costs. We are questioning $12,518 for 2 grants applicable to the period covered by the current audit. The questioned costs discussed under the following subsections are summarized as follows:

Department/Project Number	Amounts
National Science Foundation:	
CME - 7901636	$ 9,653
PRM - 8011449	2,865
	$12,518

The final disposition of these questioned costs will be determined by the federal grantor agencies.

Based on our examination, we found that, for the items tested, the university generally complied with the material terms and conditions of the Department of Education award agreements and agreements with federal, state, and private agencies or organizations administering the Federal Guaranteed Student Loan Program. Nothing came to our attention that causes us to believe untested compliance issues are not in accordance with applicable laws and regulations.

The following sections describe instances where the university is not in compliance with specific federal regulations.

Time & Effort Reports

Federal regulations require salary charges to all federally sponsored projects be based on a payroll system supported by after the fact certification. The university has a monthly time and effort reporting system which generates reports showing an employee's total university activity and the associated percentage of time and effort for allocation of salary costs. The university transferred $8,246 of salaries and $1,407 of benefits from a Department of Defense Grant number DAAG29-78-G-0089 to a National Science Foundation grant number CME-7901636. In addition, the university also transferred $2,581 of salaries and $284 of benefits from the National Institute of Allergy and Infectious Disease grant number 5RO1AI179481-2 to National Science Foundation grant number PRM-8011449. However, the certified time and effort report indicated the time was spent on the original grants charged. We are questioning costs of $9,653 and $2,865 for salaries and benefits which are not supported by certified time and effort reports. Subsequent to our interim field work the university implemented a system to ensure personnel charges to federal grants are supported by certified time and effort reports.

RECOMMENDATION #3

WE RECOMMEND THE UNIVERSITY:

A. ENSURE CHARGES TO GRANTORS ARE BASED ON TIME AND EFFORT REPORTS.

B. MAKE COST ADJUSTMENTS OF $9,653 ON NATIONAL SCIENCE FOUNDATION GRANT NUMBER CME-7901636 AND $2,865 ON NATIONAL SCIENCE FOUNDATION GRANT NUMBER PRM-8011449.

NDSL Interest

Federal regulations require any earnings on investments of National Direct Student Loan (NDSL) funds be identifiable and the earnings deposited back into the program. All university funds are held by the State Treasurer. Idle cash held by the State Treasurer is pooled and invested by the state with the earnings credited to the state's General Fund. As such the university has not specifically invested NDSL cash.

During a program review of MSU's student aid programs, the federal government determined MSU had earned $105,079 of interest on NDSL funds which should be deposited back into the program. However, in calculating the average annual balance, the federal government did not consider deficit balances when the state was financing the program. When the program has a deficit balance the state is foregoing interest on state funds. MSU is currently appealing the federal decision.

RECOMMENDATION #4

WE RECOMMEND THE UNIVERSITY CONTINUE TO WORK WITH THE U.S. DEPARTMENT OF EDUCATION AND RESOLVE THE ISSUE OF INTEREST EARNINGS ON NDSL FUNDS.

NDSL Cash Loans

Federal regulations (Title 34, Part 674.18 CFR) prohibit NDSL cash from being used to support other activity not associated with

the NDSL program. We noted four instances during our audit period when federal cash received for federal program activity (primarily NDSL cash) was the source of funds used to make interfund loans from the Loan Funds to other university funds. Based on a review of the month end balances in the general ledger, the amount of federal cash used to make the interfund loans was:

November 1981	$ 91,165
December 1981	64,429
May 1982	5,527
August 1982	133,329

The above amounts represent the difference between the loan and the non-federal cash available. When the loan amount exceeds the total cash balances within the individual non-federal accounts, the remaining balance of the loan would be composed of cash balances within the individual federal accounts. However, it is not possible to determine the exact amount of cash from each entity within the fund which comprised the total of the loan.

This situation occurs because MSU utilizes "Inter-Entity Borrowing" accounts to record and monitor cash transfers between funds. These accounts reflect the combined cash and loan position of all individual entities (federal and non-federal) within the fund. MSU does not record or allocate the effect of interfund loans to the individual federal and non-federal entities comprising the fund.

Failure to comply with federal regulations could jeopardize the continued existence of the various federal programs. Therefore, MSU should establish procedures to ensure compliance with federal regulations.

RECOMMENDATION #5

WE RECOMMEND MSU RESTRICT THE USE OF FEDERAL CASH TO THE APPLICABLE FEDERAL PROGRAMS IN ACCORDANCE WITH FEDERAL REGULATIONS.

Default Rate

At June 30, 1983 MSU reported a default rate on its Annual Operating Report for the nursing student loan program of 10.9 percent for the Federal Capital Contribution-Active and 27.2 percent for the Federal Capital Loan-Closing. According to federal regulations, a delinquency rate in excess of 10 percent for the program is unacceptable after June 30, 1983.

The university does have adequate collection procedures. However, due to the small number of participants in the program and the fact none have been approved for write-off by the federal government, the default rate will continue to rise. A high delinquency rate jeopardizes the continuation of the program.

INTERNAL CONTROL

We have examined the financial statements of the Montana State University (MSU), Montana Cooperative Extension Service (CES), and Montana Agricultural Experiment Statement (AES) for the two fiscal years ended June 30, 1982 and June 30, 1983. We issued our opinion dated January 27, 1984 on these statements. In addition, we examined the federal student aid reports submitted to the U.S. Department of Education and U.S. Department of Health and Human Services for each of the two fiscal years ended June 30, 1983. As part of our examination, we made a study and evaluation of the system of control of the university. Our study evaluated the system as required by generally accepted governmental auditing standards for financial and compliance audits. We classified the controls in the following categories:

1. revenue/receipts;
2. operating expenditures;
3. payroll;
4. accounts payable/interfund loans payable;
5. accounts receivable/interfund loans receivable;
6. plant, property, and equipment;
7. inventory;
8. cash;
9. contracts and grants;
10. student financial aid; and
11. investments.

Our study included the control categories listed above. Through our study, we determined the nature, timing, and extent of our auditing procedures. We applied alternative audit tests to cash, inventory, and accounts receivable because the audit could be performed more efficiently by expanding substantive audit work. We did not evaluate the control system to the extent necessary to give an opinion on either individual segments or the system as a whole.

The management of the university is responsible for establishing and maintaining a system of accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable assurance that: (1) assets are safeguarded against loss from unauthorized use or disposition; (2) transactions are executed in accordance with management's authorization; and (3) transactions are recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Inherent limitations in any system of controls may cause errors or irregularities to remain undetected. The current system evaluation should not be used to project to future periods since the procedures may become inadequate or compliance with them may deteriorate.

The limited purpose study described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of controls used by the university. However, our study disclosed conditions that could result in financial statement errors that would be difficult to detect. These conditions relating to inventory procedures are discussed on page 11.

These conditions were considered in determining the nature, timing, and extent of the audit tests of the financial statements and this report does not affect our report on the financial statements dated January 27, 1984.

The preceding four paragraphs are intended solely for the use of management and the legislature and should not be used for

any other purpose. This restriction as to use is not intended to limit the distribution of this document which, upon presentation to the Legislative Audit Committee, is a matter of public record.

Additional Compensation

According to university policy, all earned additional compensation is to be paid through the university payroll system so that it is reported as income to that individual and the proper taxes are paid. In addition, Internal Revenue Codes specifically deal with earnings and reporting of constructive income. Earnings should not be paid indirectly to any individual by allowing a department to purchase books or supplies, or pay for travel or per diem for that individual.

We noted an instance where an individual provided statistical work for a grant. Instead of receiving extra compensation for the services provided, the university paid for $1,363 in trips to professional meetings for the employee. When travel is paid in-lieu of wages, the value of the trip should be reported on the employee's W-2 form as in-kind contributions so the proper federal and state taxes can be paid.

In addition, the university's internal auditors noted at least five additional instances where this happened. University personnel indicated they add in-kind income to an employee's W-2 form when they become aware of instances where this happens. The university recently issued a memo emphasizing the policy requiring earned additional compensation be paid through the payroll system.

RECOMMENDATION #6

WE RECOMMEND THE UNIVERSITY CONTINUE EFFORTS TO ENSURE ALL EARNED ADDITIONAL COMPENSATION IS PAID THROUGH THE PAYROLL SYSTEM.

Inventory Count Procedures

We observed the university's count of the Chem Stores and the Multilith inventories. We also reviewed inventory controls and

performed test counts, The university procedures have improved since fiscal year 1981-82; however, the university needs to continue to improve its count procedures. During our observation, we noted the following procedural weaknesses:

1. Counters at the Chem Store did not count items from shelves but rather used a listing of items which should be counted. Count supervisors did not require counted shelves be tagged to prevent double counting or missing shelves. Using this system, if an item is not on the list it might not be counted.

2. Stock shipments received or stock items used at Multilith after the inventory count date, but prior to June 30, were not properly adjusted.

3. Stock items purchased for resale by the Chem Store from the physical plant were not counted as inventory.

4. The Chem Store stock person was involved in the counting. No one employee should be involved in more than one of the functions of physical custody and inventory counting.

The university should establish procedures to ensure all items are properly included or excluded from the year-end inventory counts.

RECOMMENDATION #7

WE RECOMMEND THE UNIVERSITY ESTABLISH AND FOLLOW ADEQUATE INVENTORY COUNT PROCEDURES.

STATE COMPLIANCE

We reviewed compliance with state laws that could have a material impact on the financial statements of the university. In our opinion, except for the instances of noncompliance identified below, the university complied with state laws and regulations tested. Nothing came to our attention that caused us to believe untested compliance issues are not in accordance with applicable laws and regulations.

Purchasing

Section 18-4-101(1), MCA, states the Department of Administration shall make or supervise the making of all purchases of goods and services. There are certain exemptions to direct involvement in statewide purchasing by the Purchasing Division. Montana State University has been granted a $1,000 expenditure limit before they must process requisitions through the Department of Administration, Purchasing Division.

CES Multilith does not utilize Central Purchasing for paper purchases. Justifications for not using Central Purchasing were made after the goods had been received. CES personnel indicated this was done because purchases through state purchasing sometimes resulted in higher prices and delivery delays. MSU has not received an exemption to statewide purchasing for CES paper and therefore must follow state purchasing law and policies. This problem was noted in our prior audit report.

RECOMMENDATION #8

WE RECOMMEND THE UNIVERSITY FOLLOW STATE PURCHASING LAW AND POLICIES.

Surplus Property

Section 18-6-101, MCA, states Department of Administration, Surplus Property Bureau, has the exclusive power to sell or otherwise dispose of equipment no longer needed by a state agency. During our testing of fiscal year 1983 deletions of equipment, we found five instances out of six tested where Surplus Property was not notified prior to the item being deleted from the records. Three of the five items were traded-in on new property without Surplus Property approval. MSU should comply with state law and notify surplus property of items no longer needed by the university.

Also, occasionally a department will junk a piece of equipment without notifying the MSU Property Control officer. For example, a thermofax copier was junked prior to notifying MSU Property

Control. The university should enforce the requirement of departments to notify Property Control prior to disposing an item.

RECOMMENDATION #9

WE RECOMMEND THE UNIVERSITY:

A. COMPLY WITH STATE LAW AND NOTIFY THE SURPLUS PROPERTY BUREAU OF ITEMS NO LONGER NEEDED BY THE UNIVERSITY.

B. ENFORCE ITS REQUIREMENT TO NOTIFY PROPERTY CONTROL PRIOR TO DISPOSING ITEMS.

Federal Reports

Section 20-25-424(2), MCA, requires the university on or before September 1 of each year to make detailed reports of the amounts received and disbursed under the provisions of the second Morrill Act of Congress of 1890 and the subsequent amendments to the secretaries of agriculture and interior of the United States. The report for fiscal year ending June 30, 1981, was not submitted until November 1, 1982. The report for the fiscal year ending June 30, 1982 was also late. This problem was noted in our prior audit.

MSU officials explained they do not submit the reports until the federal agencies request the reports. Based on changes in the program we do not believe the reporting date in the law is necessary. The university should seek legislation to change the law.

RECOMMENDATION #10

WE RECOMMEND THE UNIVERSITY SEEK LEGISLATION TO CHANGE THE LAW CONCERNING MORRILL ACT REPORT DUE DATE.

PRIOR AUDIT RECOMMENDATIONS

Our last financial/compliance audit and student financial aid audit of the university for the two fiscal years ended June 30, 1981 contained twenty-six recommendations applicable to the university. The university implemented fifteen of the recommendations, partially implemented five of the recommendations, did not implement three of the recommendations and three recommendations are no longer applicable.

Three recommendations which the university did not implement, or for which it has not taken adequate corrective action, concern interdepartmental transactions (page 3), purchasing (page 13) and federal reports (page 14). MSU did not concur with the recommendation concerning interdepartmental transactions and partially concurred with recommendations on purchasing and federal reports.

MONTANA STATE UNIVERSITY

AUDITOR'S REPORT AND AGENCY'S FINANCIAL STATEMENTS

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122

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STAFF LEGAL COUNSEL
JOHN W. NORTHEY

The Legislative Audit Committee
of the Montana State Legislature:

We have examined the accompanying Balance Sheet of Montana State University at June 30, 1982 and June 30, 1983, and the related Statements of Changes in Fund Balances and Current Funds Revenues, Expenditures, and Other Changes for each of the two fiscal years then ended. Except as explained in paragraph two, our examination was made in accordance with generally accepted governmental auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Because of the inadequacies in the university's inventory procedures at June 30, 1982, it was not practicable to extend our auditing procedure to enable us to express an opinion on the inventories on the Balance Sheet for the Current Unrestricted Designated Fund as of June 30, 1982.

Revenues and expenditures are overstated by $5,037,000 in fiscal year 1981-82 and $4,707,825 in fiscal year 1982-83 in the Designated Subfund as a result of the university's failure to eliminate interdepartmental transactions as described in Note 1.

MSU benefits from two separate land grants which were given to the state of Montana. The land grants are administered as a trust by the State Land Board which holds title and has the authority to direct, control, lease, exchange and sell these lands. Since the state of Montana, rather than MSU, owns these assets, the following overstatements resulted in the Endowment Fund for fiscal year 1981-82:

Cash and Investments	$3,017,097
Land Sale Contract	15,807
Gain on Sale of Assets	151,734
Beginning Fund Balance	2,881,170
Ending Fund Balance	3,032,904

As a result of recording revenue at the authorized amount rather than at the amount of expenditures reported by the Department of Administration for Long Range Building Plan projects, revenue and construction advances are misstated by the following amounts in the Unexpended Plants Fund:

	Fiscal Year 1981-82	Fiscal Year 1982-83
Revenue	$4,959,766	$(2,946,960)
Prior Year Revenue	14,416	
Construction Advance	4,974,182	2,027,222
Beginning Fund Balance		4,974,182

over(under)stated

The financial statements for fiscal year ended June 30, 1982 and June 30, 1983 do not reflect the liability in the Unrestricted Fund for compensated absences as required by generally accepted accounting principles. At fiscal year end June 30, 1982, the university did not have the information to determine the liability for each agency, therefore, the liability for MSU, CES and AES combined was $4,770,347. At fiscal year-end June 30, 1983, the liability for MSU was $3,724,594.

The bond payable and retirement plan footnote did not provide adequate disclosure. Adequate footnote disclosure for bonds payable should include a summary of the interest rates and repayment amount for each of the next five years on the bonds and a combined amount due following the five year repayment. The retirement footnote disclosure should include information stating whether the retirement systems are actuarially sound.

In our opinion, except for the effects discussed in paragraphs two through seven, the financial statements referred to above present fairly the financial position of Montana State University as of June 30, 1982 and June 30, 1983, the changes in its fund balances, and the current funds revenues, expenditures, and other changes for each of the two years then ended in conformity with generally accepted accounting principles which, except for the changes, with which we concur, in the reporting of athletic and

student activities fees in fiscal year 1982, as discussed in Note 1 and in the reporting of Pell activity in fiscal year 1983, as discussed in Note 1, have been applied on a consistent basis.

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Federal Grant Expenditures for fiscal years ended June 30, 1982 and 1983, the Schedule of Full-Time Equivalent (FTE) Students for the two years ending June 30, 1983, and the Financial Aid Federal Reports prepared in accordance with the U.S. Department of Education and U.S. Department of Health and Human Services reporting requirements are presented as supplemental information and are not a required part of the basic financial statements. This information, except for the cumulative information in the financial aid federal reports marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied in our examination of the basic financial statements. In our opinion, except for the effects of the matters discussed in paragraphs two through seven, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,

James H. Gillett, CPA
Deputy Legislative Auditor

January 27, 1984

Approved by:

Robert R. Ringwood
Legislative Auditor

MONTANA STATE UNIVERSITY
BALANCE SHEETS
Year Ended June 30, 1983

ASSETS

RRENT FUNDS:		
Unrestricted:		
General operating:		
Cash	$ 2,996,871	
Accounts receivable	772,506	
Due from other fund groups	2,208,146	
Total general operating	5,977,523	
Designated:		
Cash	463,160	
Accounts receivable	170,583	
Due from other fund groups	1,629,104	
Investments (Note 3)	276,597	
Inventories	524,334	
Total designated	3,063,778	
Auxiliary enterprises:		
Cash	238,561	
Accounts receivable	24,906	
Due from other fund groups	414,765	
Investments (Note 3)	2,409,724	
Inventories	516,782	
Total auxiliary enterprises	3,604,738	
Total unrestricted	12,646,039	
Restricted:		
Cash	526,554	
Accounts receivable	1,176,295	
Due from other fund groups	81,475	
Investments (Note 3)	384,128	
Total restricted	2,168,452	
Total current funds	$14,814,491	
TUDENT LOAN FUNDS:		
Cash	$ 256,107	
Loans receivable - less allowance for bad debts $299,041	7,176,995	
Accounts receivable	96,168	
Total student loan funds	$ 7,529,270	

See notes to financial statements

LIABILITIES AND FUND BALANCES

			Investment in Plant
CURRENT FUNDS:			
Unrestricted:			
General operating:			
Accrued payroll		$ 2,473,965	
Accounts payable and accrued liabilities		627,954	
Due to other fund groups		1,996,275	
Deposits		35,762	
Deferred revenue		489,310	-
Fund balance (Note 1)		354,257	-
Total general operating		5,977,523	-
Designated:			-
Accrued payroll		229,499	-
Accounts payable and accrued liabilities		351,419	
Due to other fund groups		1,493,277	
Fund balance		989,583	-
Total designated		3,063,778	1,997,073
Auxiliary enterprises:			-
Accrued payroll		252,593	3,209,835
Accounts payable and accrued liabilities		95,931	-
Deposits		356,329	15,435
Deferred revenue		76,149	
Due to other fund groups		202,084	1,222,343
Fund balance		2,621,652	
Total auxiliary enterprises		3,604,738	
Total unrestricted		12,646,039	-
			-
Restricted:			-
Accrued payroll		353,424	-
Accounts payable and accrued liabilities		2,107	
Due to other fund groups		1,131,797	
Fund balance		681,124	
Total restricted		2,168,452	-
Total current funds		$14,814,491	1,350,000
STUDENT LOAN FUNDS:			-
			1,350,000
Accounts payable and accrued liabilities		$ 1,700	
Due to other fund groups		318	
Fund balances:			
U.S. Government grants refundable	$6,690,645		
University funds	743,405		
Private gifts	93,202		
		7,527,252	
Total student loan funds		$ 7,529,270	

MONTANA STATE UNIVERSITY
BALANCE SHEETS
Year Ended June 30, 1983

ASSETS

OWMENT FUNDS:		
ash	$ 5,968	
nvestments (Note 3)	284,860	
Total endowment funds	$ 290,828	
NT FUNDS:		
nexpended:		
Cash	$ 1,021,862	
Accounts receivable	90,058	
Due from other fund groups	20	
Construction advances to state	2,145,525	
Total unexpended	3,257,465	
enewals and replacements:		
Cash	151,659	
Accounts receivable	5,999	
Due from other fund groups	326	
Investments (Note 3)	119,671	
Total renewals and replacements	277,655	
etirement of indebtedness:		
Cash	215,879	
Accounts receivable	71,536	
Investments (Note 3)	4,708,102	
Total retirement of indebtedness	4,995,517	
nvestment in plant:		
Land and land improvements	7 135,539	
Buildings (including construction in progress)	74,130,288	
Equipment	32,441,887	
Livestock	21,000	
Total investment in plant	108,728,714	
Total plant funds	$117,259,351	
ENCY FUNDS:		
Cash	$ 632,036	
Accounts Receivable	125,543	
Due from other fund groups	600,912	
Investments (Note 3)	379,346	
Total agency funds	$ 1,737,837	

LIABILITIES AND FUND BALANCES

ENDOWMENT FUNDS:		
Fund balance	$ 290,828	ivestment to Plant
Total endowment funds	$ 290,828	
PLANT FUNDS:		-
Unexpended:		-
Accounts payable and accrued expenditures	$ 3,764	-
Due to other fund groups	82,460	-
Fund balance	3,171,241	-
Total unexpended	3,257,465	-
Renewals and replacements:		-
Accounts payable and accrued expenditures	2,008	1,997,073
Due to other fund groups	20,874	-
Fund balance	254,773	
Total renewals and replacements	277,655	8,209,835
Retirement of indebtedness:		-
Accounts payable and accrued expenditures	25	15,435
Fund balance	4,995,492	0,222,343
Total retirement of indebtedness	4,995,517	
Investment in plant:		-
Bonds payable (Note 4)	22,831,000	-
Other payables	185,671	-
Net investment in plant	85,712,043	-
Total investment in plant	108,728,714	
Total plant funds	$117,259,351	-
AGENCY FUNDS:		-
Accrued payroll	$ 15,298	1,350,000
Accounts payable and accrued liabilities	557,166	-
Due to other fund groups	7,605	1,350,000
Deposits held in custody for others	1,157,768	
Total agency funds	$ 1,737,837	

See notes to financial statements

MONTANA STATE UNIVERSITY
STATEMENT OF CHANGES IN FUND BALANCES
Year Ended June 30, 1983

	Current Funds						Plant Funds			
	Unrestricted									
	General Operating	Designated	Auxiliary Enterprises	Restricted	Loan Funds	Endowment and Similar Funds	Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment In Plant
and other additions:										
nt funds revenue	$40,858,866	$10,056,226	$11,172,036	$10,495,996	$ -	$ -	$ -	$ -	$ -	$ -
al capital contribution	-	-	-	-	222,207	-	-	-	-	-
rsity capital contribution	-	-	-	-	9,489	-	-	-	-	-
te capital contribution	-	-	-	-	580	11,902	-	-	-	-
est on loans receivable	-	-	-	-	109,934	-	-	-	-	-
on sale of assets	-	-	-	-	-	-	-	-	-	-
nt fees	-	-	-	-	-	-	-	-	1,516,048	-
tment income	-	-	-	-	-	-	-	12,835	681,915	
ment income & grants (Note 2)	-	-	-	-	-	-	-	-	257,735	-
unt on bonds purchased	-	-	-	-	-	-	-	-	376,428	-
ement of debt	-	-	-	-	-	-	-	-	-	1,997,073
fer of bond liability	-	-	-	-	-	-	1,350,000	-	-	-
ded for plant facilities cluding $2,838,306 charged current funds)	-	-	-	-	-	-	-	-	-	8,209,835
appropriations	-	-	-	-	-	-	255,520	-	-	-
	-	-	-	-	25,548	1,889	90,058	15,772	30,277	15,435
tal revenue and other additions	40,858,866	10,056,226	11,172,036	10,495,996	367,758	13,791	1,695,578	28,607	2,862,403	10,222,343
ures and other deductions:										
nt funds expenditures	40,388,945	9,959,714	9,340,322	10,237,192	-	-	-	-	-	-
cancellations	-	-	-	-	87,871	-	-	-	-	-
ded to grantors	-	-	-	-	3,590	-	-	-	-	-
istrative expenditures	-	-	-	-	8,201	-	-	-	-	-
sion for bad debts	-	-	-	-	10,896	-	-	-	-	-
ded for plant facilities cluding $325,181 non-capital penditures)	-	-	-	-	-	-	4,906,049	790,661	-	-
ement of debt	-	-	-	-	-	-	-	-	1,997,073	-
est on debt	-	-	-	-	-	-	-	-	1,211,938	
fer of bond liability	-	-	-	-	-	-	-	-	-	1,350,000
	-	-	-	-	-	-	34,656	-	35,956	-
tal expenditures and other deductions (Note 1)	40,388,945	9,959,714	9,340,322	10,237,192	110,558	-	4,940,705	790,661	3,244,967	1,350,000

See notes to financial statements

MONTANA STATE UNIVERSITY
STATEMENT OF CHANGES IN FUND BALANCES (Continued)
Year Ended June 30, 1983

	Current Funds						Plant Funds			
	Unrestricted									
	General Operating	Designated	Auxiliary Enterprises	Restricted	Loan Funds	Endowment and Similar Funds	Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant
er among funds - additions uctions):										
atory:										
xiliary enterprises	$ -	$ -	$ (450,023)	$ -	$ -	$ -	$ -	$ 400,000	$ 50,023	$ -
ntary:										
neral operating	(26,910)	-	-	-	14,030	-	-	-	12,880	-
xiliary enterprises-net	-	27,706	(1,558,620)	-	-	-	332,877	210,000	988,037	-
pair and replacement	-	-	-	-	-	-	336,530	(336,530)	-	-
tirement of debt-net	-	-	-	-	-	-	93,582	623,000	(716,582)	-
Total transfers	(26,910)	27,706	(2,008,643)	-	14,030	-	762,989	896,470	334,358	-
crease (decrease) in balance	443,011	124,218	(176,929)	258,804	271,230	13,791	(2,482,138)	134,416	(48,206)	8,872,343
alances at beginning of as previously reported	(33,855)	795,381	2,755,115	589,781	7,293,324	3,309,941	5,630,610	158,901	5,047,705	77,351,546
year adjustments:										
nues	4,699	99,218	68,780	11,697	(27,314)	-	21,893	-	(143)	-
nditures	(59,598)	(29,234)	(25,314)	(188,630)	(9,988)	-	876	(38,544)	(3,864)	(159,772)
erty subsidiary (Note 1)	-	-	-	-	-	-	-	-	-	(352,074)
assifications (Note 1 & 2)	-	-	-	9,472	-	(3,032,904)	-	-	-	-
Total prior year adjustments	(54,899)	69,984	43,466	(167,461)	(37,302)	(3,032,904)	22,769	(38,544)	(4,007)	(511,846)
alances at beginning of as adjusted	(88,754)	865,365	2,798,581	422,320	7,256,022	277,037	5,653,379	120,357	5,043,698	76,839,700
alances at end of year	$ 354,257	$ 989,583	$ 2,621,652	$ 681,124	$7,527,252	$ 290,828	$3,171,241	$ 254,773	$ 4,995,492	$85,712,043

See notes to financial statements

MONTANA STATE UNIVERSITY
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
Year Ended June 30, 1983

	Unrestricted				
	General Operating	Designated	Auxiliary Enterprises	Restricted	Total
s:					
on and fees	$ 7,557,848	$ -	$ -	$ 61,768	$ 7,619,616
al appropriations	50,000	-	-	-	50,000
appropriations	31,423,009	-	-	-	31,423,009
al grants and contracts	943,085	-	-	7,582,412	8,525,497
grants and contracts	59,882	-	-	642,734	702,616
te gifts, grants and contracts	302,651	-	-	1,940,305	2,242,956
ment income	382,309	-	-	3,459	385,768
sources	140,082	-	-	6,514	146,596
and services	-	10,056,226	11,172,036	-	21,228,262
otal revenue	40,858,866	10,056,226	11,172,036	10,237,192	72,324,320
tures and mandatory transfers:					
tion and general					
truction	22,860,057	-	-	1,248,926	24,108,983
earch	922,013	-	-	3,659,385	4,581,398
lic service	7,702	-	-	806,897	814,599
demic support	5,146,524	-	-	131,612	5,278,136
dent services	3,716,922	-	-	249,742	3,966,664
titutional support	2,827,933	-	-	626,127	3,454,060
ration and maintenance of plant	4,204,456	-	-	15,001	4,219,457
olarships and fellowships	703,338	-	-	3,404,498	4,107,836
er	-	-	-	95,004	95,004
Education and general expenditures	40,388,945	-	-	10,237,192	50,626,137
gnated and auxiliary enterprises:					
penditures	-	9,959,714	9,340,322	-	19,300,036
datory transfers to plant funds	-	-	450,023	-	450,023
Total designated and auxiliary	-	9,959,714	9,790,345	-	19,750,059
Total expenditures and mandatory transfers	40,388,945	9,959,714	9,790,345	10,237,192	70,376,196
transfers and additions (deductions):					
ss of restricted receipts over transfers to revenue	-	-	-	258,804	258,804
sfers	(26,910)	27,706	(1,558,620)	-	(1,557,824)
crease (decrease) in fund balance	$ 443,011	$ 124,218	$ (176,929)	$ 258,804	$ 649,104

See notes to financial statements

1. Summary of significant accounting policies

Related parties:

Montana State University, Montana Agricultural Experiment Station and Montana Cooperative Extension Service are related through common management and control; however, they are separate and distinct agencies and they receive separate federal and state appropriations. These agencies have certain related-party transactions, including sharing office facilities, management, accounting and office services. The accounts of Montana Agricultural Experiment Station and Montana Cooperative Extension Service have not been included in the accompanying financial statements.

Financial Statements:

The accompanying financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles for colleges and universities, except that unrestricted current designated and auxiliary enterprises interdepartmental transactions of $4,707,825 and $74,062 respectively have not been eliminated.

The statement of current funds revenues, expenditures and other changes is a statement of financial activities of current funds related to the current reporting period and does not purport to present the results of operations or the net income or loss for the period.

Fund balance for unrestricted general operating funds includes $389,569 allocated for encumberances netted to prior period revenue shortage of $35,312.

Reclassification of Pell Grants, $9,472, to restricted current funds from agency funds is in accordance with recent changes in college and university guidelines.

Fund accounting:

The accounts of the University are maintained in accordance with the principles of fund accounting wherein resources are classified for accounting purposes into funds that are identified by the limitations and restrictions placed upon their use. Separate accounts are maintained for each fund; however, accounts with common characteristics are combined into fund groups and reflected as such in the accompanying financial statements. The common characteristics of the funds contained in the various fund groups are as follows:

1. Summary of significant accounting policies (continued)

Fund accounting (continued):

Current funds:

The current funds group includes economic resources expendable in performing the primary objectives of the University, i.e., Instruction, Research and Public Service. The current funds group has two basic distinct sub-groups; unrestricted funds which have no expenditure restrictions, and restricted funds which have expenditure restrictions. Unrestricted current funds are comprised of the following:

General Operating - utilized for general operations in performing the primary objectives of the University.

Designated - utilized for educational related service activities; these funds are separately classified in order to accumulate and distinguish the costs of these specialized service or function areas.

Auxiliary Enterprises - utilized in providing essential on-campus services primarily to students, faculty, and staff.

Student loan funds:

The resources from this group of funds are available to students to aid in financing their education. Funds for the loans are provided by private and University sources with the majority of the funds being provided by the Federal Government.

Endowment funds:

Endowment funds are funds with specific restrictions negating the expenditure of the principal. Generally, the principal is to be maintained in perpetuity and invested for the purpose of producing income.

Plant funds:

Plant funds are separated into four distinct self-balancing sub-group accounts:

1. Summary of significant accounting policies (continued)

Fund accounting (continued):

Plant funds (continued):

Unexpended plant - utilized for acquisition of long-term institutional assets.

Renewal and replacement - utilized for long-term institutional asset maintenance.

Retirement of indebtedness - utilized for interest and debt retirement.

Investment in plant - denotes the cost of long-term institutional assets and related liabilities.

Inventories:

Inventories, which consist mainly of food and operating supplies, are valued at cost (first-in, first-out method).

Investments:

Investments are carried at cost, which approximate market value at June 30, 1983.

Plant and equipment:

At June 30, 1983, investment in plant was adjusted $352,074 to reflect the totals in the property control subsidiaries. Livestock is carried at current market value with any difference from the prior year values recorded in the plant fund.

Depreciation:

No provision has been made for depreciation of plant facilities in accordance with generally accepted accounting principles for colleges and universities.

1. Summary of significant accounting policies (continued)

Allowance for Bad Debts:

Except for Loan Funds, an allowance for bad debts has not been recorded. Losses from bad debts in other funds are recorded as adjustments to revenue in the year in which they are deemed uncollectable.

Allocated for encumbrances:

The University records encumbrances of general operating funds as expenditures in conformance with the Statewide Budgeting and Accounting System.

At June 30, 1983, the University had encumbered $389,569 of general operating funds that are not included in expenditures in the accompanying financial statements. The accrual basis of accounting provides that expenditures include only amounts associated with goods and services received and that liabilities include only the unpaid amounts associated with such transactions.

Unearned tuition and fees:

Summer school tuition and fee revenues are deferred at June 30 and recorded as revenue in the succeeding fiscal year.

2. Endowment funds - land grants

Montana State University benefits from two separate land grants. The first granted 90,000 acres for the University under provisions of the Morrill Act of 1862 and the second, under the Enabling Act of 1889, granted an additional 50,000 acres for the University.

Under provisions of both grants, income from the sale of land and land assets must be reinvested and constitutes, along with the balance of the unsold land, a perpetual endowment fund.

As of June 30, 1983, 62,977 acres remained unsold from the first grant and 32,408 acres from the second grant. The State of Montana, State Land Board administers both grants and holds all assets, therefore, a decrease to beginning fund balances of $3,032,904 have been recorded to reflect the State of Montana ownership.

Investment income from the first grant may be used for current operations of the University and is reported as current unrestricted funds revenue. Investment income from the second grant is currently pledged to the retirement of the July 1, 1954 indenture revenue bonds and is reported as revenue in the retirement of indebtedness fund.

3. Investments

Investments at June 30, 1983 consist of the following:

	Cost
State of Montana short-term investment pool	$ 3,877,750
U.S. Treasury securities, held by trustees	4,384,755
Certificates of deposit	299,923
	$ 8,562,428

The investments at June 30, 1983 are owned by the following funds:

Current funds:	
Designated	$ 276,597
Auxiliary enterprises	2,409,724
Restricted	384,128
Endowment funds	284,860
Plant funds:	
Renewals and replacements	119,671
Retirement of indebtedness	4,708,102
Agency	379,346
	$ 8,562,428

4. Bonds payable

Bonds payable at June 30, 1983 include the following:

Indenture - July 1, 1954	$12,061,000
Resolution - October 14, 1963	2,925,000
Resolution - April 12, 1971	1,495,000
Montana Long Range Building Program - March 1, 1980	6,350,000
	$22,831,000

Net revenues from the following auxiliary enterprises are pledged to the retirement of bonds issued under the July 1, 1954 indenture:

a) All residence halls
b) Most married student and faculty housing units
c) Student union building

The records and accounts of the University's revenue bonds are subject to an annual audit by a certified public accounting firm; copies of the report are available upon request.

5. Retirement plans

All of the University's full-time employees are members of the Montana Public Employees Retirement System or Montana Teacher's Retirement System. The University's contributions to these plans totaled $2,216,719 for the year ended June 30, 1983.

6. Commitments and contingencies

Compensated absences:

As of December 31 of each year, employees can accumulate vacation leave up to twice the number of leave days earned annually and sick leave can be accumulated without limitation. Upon termination, the employee is paid the accumulated vacation leave and 25% of the accumulated sick leave; the value of these accumulations was $3,724,594 at June 30, 1983. Vacation and sick leave payments are recorded as an expenditure at the time they are paid to the employee.

Capital projects:

As of June 30, 1983, the University has initiated construction on the following major capital projects:

Project	Amount Authorized	Amount Exp. as of 6/30/83
Student union bldg. addition/renovation	$ 5,360,400	$ 5,301,361
Physical education facilities addition	2,500,000	2,389,024
Vet clinic	90,000	75,584
Animal lab facility	2,260,000	625,377
Visual communications building	4,598,000	4,219,817
On campus living - fire detection	520,000	429,126
	$15,328,400	$13,040,289

Leases:

The University reserves the right to limit the amount of expenditures associated with lease contracts without penalty, when in the sole judgment of the University annual funding or program changes necessitate. Lease agreements for various purposes and time periods totaled $298,130 at June 30, 1983.

MONTANA STATE UNIVERSITY
BALANCE SHEETS
Year Ended June 30, 1982

ASSETS

UNDS:		
icted:		
al operating:		
h	$ 1,488,424	
ounts receivable	1,155,126	
from other fund groups	1,642,830	
Total general operating	4,286,380	
nated:		
h	111,249	
ounts receivable	227,254	
from other fund groups	648,720	
estments (Note 3)	171,741	
entories	595,238	
Total designated	1,754,202	
iary enterprises:		
h	48,422	
ounts receivable	1,052	
from other fund groups	11,301	
estments (Note 3)	3,098,862	
entories	479,927	
Total auxiliary enterprises	3,639,564	
Total unrestricted	9,680,146	
ted:		
	474,690	
nts receivable	1,489,927	
rom other fund groups	131,018	
tments (Note 3)	413,625	
Total restricted	2,509,260	
Total current funds	$12,189,406	
LOAN FUNDS:		
	$ 162,321	
receivable - less allowance for debts $293,934	7,054,374	
s receivable	76,629	
Total student loan funds	$ 7,293,324	

LIABILITIES AND FUND BALANCES

			Investment in Plant
CURRENT FUNDS:			
Unrestricted:			
General operating:			
Accrued payroll		$ 2,135,520	
Accounts payable and accrued liabilities		870,038	
Due to other fund groups		903,913	
Deposits		26,117	
Deferred revenue		384,647	-
Fund balance (Note 1)		(33,855)	-
Total general operating		4,286,380	-
			-
Designated:			-
Accrued payroll		203,098	-
Accounts payable and accrued liabilities		315,733	-
Due to other fund groups		439,990	-
Fund balance		795,381	-
			-
Total designated		1,754,202	866,132
			-
Auxiliary enterprises:			
Accrued payroll		201,937	
Accounts payable and accrued liabilities		63,649	,463,590
Deposits		382,661	-
Deferred revenue		61,741	-
Due to other fund groups		174,461	
Fund balance		2,755,115	,329,722
Total auxiliary enterprises		3,639,564	
Total unrestricted		9,680,146	-
			-
			-
Restricted:			-
Accrued payroll		292,533	-
Accounts payable and accrued liabilities		91,499	
Due to other fund groups		1,535,447	
Fund balance		589,781	
Total restricted		2,509,260	-
			-
Total current funds		$12,189,406	-
			,199,782
STUDENT LOAN FUNDS:			204,268
Fund balances:			,404,050
U.S. Government grants refundable	$6,389,086		
University funds	798,636		
Private gifts	105,602		
		7,293,324	
Total student loan funds		$ 7,293,324	

See notes to financial statements

5.

6.

MONTANA STATE UNIVERSITY
BALANCE SHEETS
Year Ended June 30, 1982

ASSETS

FUNDS:	
ents and cash (Note 3)	$ 3,314,134
ntract receivable	15,807
Total endowment funds	$ 3,329,941
DS:	
ded:	
	$ 209,370
nts receivable	117,380
rom other fund groups	15,916
tments (Note 3)	352,900
ruction advances to state	5,457,237
Total unexpended	6,152,803
s and replacements:	
	26,696
nts receivable	7,397
rom other fund groups	70,000
tments (Note 3)	103,557
Total renewals and replacements	207,650
ent of indebtedness:	
	616,544
nts receivable	500,522
tments (Note 3)	3,952,984
Total retirement of indebtedness	5,070,050
ent in plant:	
and land improvements	2,103,310
ings (including construction in progress)	69,121,842
ment	29,773,002
tock	21,000
Total investmeot in plant	101,019,154
Total plant funds	$112,449,657
NDS:	
	$ 337,888
s Receivable	103,655
m other fund groups	693,228
ents (Note 3)	369,793
Total agency funds	$ 1,504,564

LIABILITIES AND FUND BALANCES

ENDOWMENT FUNDS:		
Due to other fund groups	$ 20,000	
Fund balance	3,309,941	nvestment In Plant
Total endowment funds	$ 3,329,941	
PLANT FUNDS:		
Unexpended:		-
Accounts payable and accrued expenditures	$ 425,971	-
Due to other fund groups	96,222	-
Fund balance	5,630,610	-
		-
Total unexpended	6,152,803	-
		-
Renewals and replacements:		-
Accounts payable and accrued expenditures	20,517	866,132
Due to other fund groups	28,232	-
Fund balance	158,901	
Total renewals and replacements	207,650	),463,590
		-
Retirement of indebtedness:		-
Accounts payable and accrued expenditures	22,345	
Fund balance	5,047,705	),329,722
Total retirement of indebtedness	5,070,050	
Investment in plant:		-
Bonds payable (Note 4)	23,438,000	-
Other payables	229,608	-
Net investment in plant	77,351,546	-
Total investment in plant	101,019,154	
Total plant funds	$112,449,657	-
		-
AGENCY FUNDS:		,199,782
Accrued payroll	$ 12,424	204,268
Accounts payable and accrued liabilities	840,779	
Due to other fund groups	14,487	,404,050
Deposits held in custody for others (Note 1)	636,874	
Total agency funds	$ 1,504,564	

See notes to financial statements

MONTANA STATE UNIVERSITY
STATEMENT OF CHANGES IN FUND BALANCES
Year Ended June 30, 1982

	Current Funds						Plant Funds			
	Unrestricted									
	General Operating	Designated	Auxiliary Enterprises	Restricted	Loan Funds	Endowment and Similar Funds	Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant
end other additions										
nt funds revenue	$36,062,064	$8,285,297	$10,208,034	$8,496,933	$ -	$ -	$ -	$ -	$ -	$ -
al capital contribution	-	-	-	-	426,370	-	21,000	-	-	-
rsity capital contribution	-	-	-	-	35,319	-	-	-	-	-
te capital contribution	-	-	-	-	1,780	1,965	17,286	6,981	-	-
est on loans receivable	-	-	-	-	105,204	-	-	-	-	-
on sale of assets	-	-	-	-	-	151,734	-	-	-	-
nt fees	-	-	-	-	-	-	-	-	1,517,409	-
tment income	-	-	-	-	-	-	419,176	12,618	497,608	-
ment income & grants (Note 2)	-	-	-	-	-	-	-	-	388,899	-
unt on bonds purchased	-	-	-	-	-	-	-	-	1,125	-
ement of debt	-	-	-	-	-	-	-	-	-	866,132
fer of bond liability	-	-	-	-	-	-	4,199,782	-	-	-
ded for plant facilities cluding $2,268,480 charged current funds)	-	-	-	-	-	-	-	-	-	9,463,590
appropriations	-	-	-	-	-	-	6,996,383	-	-	-
tal revenue and other additions	36,062,064	8,285,297	10,208,034	8,496,933	8,788 577,461	3,295 156,994	162,358 11,815,985	2,613 22,212	1,900 2,406,941	10,329,722
ures and other deductions:										
nt funds expenditures	35,849,855	8,246,696	8,759,229	8,061,286	-	-	-	-	-	-
cancellations	-	-	-	-	91,841	-	-	-	-	-
ded to grantors	-	-	-	-	4,249	-	-	-	-	-
istrative expenditures	-	-	-	-	43,059	-	-	-	-	-
sion for bad debts	-	-	-	-	11,820	-	-	-	-	-
ded for plant facilities cluding $155,026 non-capital penditures)	-	-	-	-	-	-	6,924,169	425,967	-	-
ement of debt	-	-	-	-	-	-	-	-	866,132	-
est on debt	-	-	-	-	-	-	-	-	1,254,608	-
fer of bond liability	-	-	-	-	-	-	-	-	-	4,199,782
tal expenditures and other deductions (Note 1)	35,849,855	8,246,696	8,759,229	8,061,286	150,969	-	6,924,169	425,967	14,268 2,135,008	204,268 4,404,050

See notes to financial statements

MONTANA STATE UNIVERSITY
STATEMENT OF CHANGES IN FUND BALANCES (Continued)
Year Ended June 30, 1982

	Current Funds						Plant Funds			
	Unrestricted									
	General Operating	Designated	Auxiliary Enterprises	Restricted	Loan Funds	Endowment and Similar Funds	Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant
among funds - additions										
ions):										
ory:										
liary enterprises	$ -	$ -	$ (1,000,000)	$ -	$ -	$ -	$ -	$ -	$ 1,000,000	$ -
ary:										
ral operating	(15,448)	-	-	-	-	-	-	-	15,448	-
liary enterprises	-	-	(104,896)	-	-	-	104,896	-	-	-
pended plant-net	-	5,299	-	-	-	-	(35,949)	-	30,650	-
rement of debt-net	-	17,094	32,413	-	-	-	27,327	492,673	(569,507)	-
tal transfers	(15,448)	22,393	(1,072,483)	-	-	-	96,274	492,673	476,591	-
ease (decrease) in										
alance	196,761	60,994	376,322	435,647	426,492	156,994	4,988,090	88,918	748,524	5,925,672
ances at beginning of										
s previously reported	(211,650)	902,356	2,145,445	334,467	6,867,223	4,106,803	602,117	79,597	4,294,310	69,045,859
ar adjustments:										
es	(1,258)	16,560	191,039	(15,077)	(210)	-	282,573	-	1,276	-
itures	(17,708)	(244,657)	(36,917)	(165,256)	(181)	-	(242,170)	(9,614)	3,595	251,450
ty subsidiary (Note 1)	-	-	-	-	-	-	-	-	-	2,128,565
sifications (Note 1 & 2)	-	60,128	79,226	-	-	(953,856)	-	-	-	-
tal prior year										
adjustments	(18,966)	(167,969)	233,348	(180,333)	(391)	(953,856)	40,403	(9,614)	4,871	2,380,015
ances at beginning of										
s adjusted	(230,616)	734,387	2,378,793	154,134	6,866,832	3,152,947	642,520	69,983	4,299,181	71,425,874
ances at end of year	$ (33,855)	$ 795,381	$ 2,755,115	$ 589,781	$7,293,324	$ 3,309,941	$5,630,610	$ 158,901	$ 5,047,705	$77,351,546

See notes to financial statements

MONTANA STATE UNIVERSITY
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
Year Ended June 30, 1982

	Unrestricted				
	General Operating	Designated	Auxiliary Enterprises	Restricted	Total
Revenues:					
Tuition and fees	$ 6,786,408	$ -	$ -	$ 157,665	$ 6,944,073
Federal appropriations	50,000	-	-	-	50,000
State appropriations	27,126,156	-	-	-	27,126,156
Federal grants and contracts	1,191,946	-	-	5,709,220	6,901,166
State grants and contracts	60,375	-	-	708,076	768,451
Private gifts, grants and contracts	263,210	-	-	1,473,566	1,736,776
Endowment income	441,676	-	-	3,343	445,019
Other sources	142,293	-	-	9,416	151,709
Sales and services	-	8,285,297	10,208,034	-	18,493,331
Total revenue	36,062,064	8,285,297	10,208,034	8,061,286	62,616,681
Expenditures and mandatory transfers:					
Education and general					
Instruction	19,870,332	-	-	1,281,618	21,151,950
Research	622,854	-	-	3,776,515	4,399,369
Public service	14,256	-	-	949,890	964,146
Academic support	4,741,406	-	-	107,814	4,849,220
Student services	3,298,749	-	-	220,522	3,519,271
Institutional support	2,744,833	-	-	459,417	3,204,250
Operation and maintenance of plant	3,884,712	-	-	5,885	3,890,597
Scholarships and fellowships	672,713	-	-	1,209,774	1,882,487
Other	-	-	-	49,851	49,851
Education and general expenditures	35,849,855	-	-	8,061,286	43,911,141
Designated and auxiliary enterprises:					
Expenditures	-	8,246,696	8,759,229	-	17,005,925
Mandatory transfers for debt retirement	-	-	1,000,000	-	1,000,000
Total designated and auxiliary	-	8,246,696	9,759,229	-	18,005,925
Total expenditures and mandatory transfers	35,849,855	8,246,696	9,759,229	8,061,286	61,917,066
Other transfers and additions (deductions):					
Excess of restricted receipts over transfers to revenue	-	-	-	435,647	435,647
Transfers to plant funds-net	(15,448)	22,393	(72,483)	-	(65,538)
Net increase (decrease) in fund balance	$ 196,761	$ 60,994	$ 376,322	$ 435,647	$ 1,069,724

See notes to financial statements

1. Summary of significant accounting policies

Related parties:

Montana State University, Montana Agricultural Experiment Station and Montana Cooperative Extension Service are related through common management and control; however, they are separate and distinct agencies and they receive separate federal and state appropriations. These agencies have certain related-party transactions, including sharing office facilities, management, accounting and office services. The accounts of Montana Agricultural Experiment Station and Montana Cooperative Extension Service have not been included in the accompanying financial statements.

Financial Statements:

The accompanying financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles for colleges and universities, except that unrestricted current designated interdepartmental transactions of $5,037,000 have not been eliminated.

The statement of current funds revenues, expenditures and other changes is a statement of financial activities of current funds related to the current reporting period and does not purport to present the results of operations or the net income or loss for the period.

Fund balance for unrestricted general operating current funds includes $155,815 allocated for encumbrances netted to $189,670, the unrecovered balance of the $312,465 prior fiscal year revenue shortage.

Reclassifications to unrestricted current designated from auxiliary enterprise and agency funds are in compliance with University's and the Commissioner of Higher Education's reply to recommendations contained in the Legislative Auditor's report for the fiscal years ended June 30, 1980 and 1981. Reclassified fund balances include intercollegiate athletics ($79,226) and ASMSU ($139,354). Associated Students of Montana State University (ASMSU) activity fees are approved and collected under authority of the Board of Regents.

Fund accounting:

The accounts of the University are maintained in accordance with the principles of fund accounting wherein resources are classified for accounting purposes into funds that are identified by the limitations and restrictions placed upon their use. Separate accounts are maintained for each fund; however, accounts with common characteristics are combined into fund groups and reflected as such in the accompanying financial statements. The common characteristics of the funds contained in the various fund groups are as follows:

1. Summary of significant accounting policies (continued)

Fund accounting (continued):

Current funds:

The current funds group includes economic resources expendable in performing the primary objectives of the University, i.e., Instruction, Research and Public Service. The current funds group has two basic distinct sub-groups; unrestricted funds which have no expenditure restrictions, and restricted funds which have expenditure restrictions. Unrestricted current funds are comprised of the following:

General Operating - utilized for general operations in performing the primary objectives of the University.

Designated - utilized for general operations, except these funds are separately classified in order to accumulate and distinguish the costs of these specialized service or function areas.

Auxiliary Enterprises - utilized in providing essential on-campus services primarily to students, faculty, and staff.

Student loan funds:

The resources from this group of funds are available to students to aid in financing their education. Funds for the loans are provided by private and University sources with the majority of the funds being provided by the Federal Government.

Endowment funds:

Endowment funds are funds with specific restrictions negating the expenditure of the principal. Generally, the principal is to be maintained in perpetuity and invested for the purpose of producing income.

Plant funds:

Plant funds are separated into four distinct self-balancing sub-group accounts:

1. Summary of significant accounting policies (continued)

Fund accounting (continued):

Plant funds (continued):

Unexpended plant - utilized for acquisition of long-term institutional assets.

Renewal and replacement - utilized for long-term institutional asset maintenance.

Retirement of indebtedness - utilized for interest and debt retirement.

Investment in plant - denotes the cost of long-term institutional assets and related liabilities.

Inventories:

Inventories, which consist mainly of food and operating supplies, are valued at cost (first-in, first-out method).

Investments:

Investments are carried at cost, which approximate market value at June 30, 1982.

Plant and equipment:

At June 30, 1982, investment in plant was adjusted $2,128,565 to reflect the totals in the property control subsidiaries. Livestock is carried at current market value with any difference from the prior year values recorded in the plant fund.

Depreciation:

No provision has been made for depreciation of plant facilities in accordance with generally accepted accounting principles for colleges and universities.

1. Summary of significant accounting policies (continued)

Allowance for Bad Debts:

Except for Loan Funds, an allowance for bad debts has not been recorded. Losses from bad debts in other funds are recorded as adjustments to revenue in the year in which they are deemed uncollectable.

Allocated for encumbrances:

The University records encumbrances of general operating funds as expenditures in conformance with the Statewide Budgeting and Accounting System.

At June 30, 1982, the University had encumbered $155,815 of general operating funds that are not included in expenditures in the accompanying financial statements. The accrual basis of accounting provides that expenditures include only amounts associated with goods and services received and that liabilities include only the unpaid amounts associated with such transactions.

Unearned tuition and fees:

Summer school tuition and fee revenues are deferred at June 30 and recorded as revenue in the succeeding fiscal year.

2. Endowment funds - land grants

Montana State University benefits from two separate land grants. The first granted 90,000 acres for the University under provisions of the Morrill Act of 1862 and the second, under the Enabling Act of 1889, granted an additional 50,000 acres for the University.

Under provisions of both grants, income from the sale of land and land assets must be reinvested and constitutes, along with the balance of the unsold land, a perpetual endowment fund.

As of June 30, 1982, 62,977 acres remained unsold from the first grant and 32,408 acres from the second grant. This land is carried at $10 per acre for accounting purposes. The State of Montana, State Land Board administers both grants and holds all assets, therefore, a decrease to beginning fund balances of $953,856 have been recorded to reflect the State of Montana ownership.

Investment income from the first grant may be used for current operations of the University and is reported as current unrestricted funds revenue. Investment income from the second grant is currently pledged to the retirement of the July 1, 1954 indenture revenue bonds and is reported as revenue in the retirement of indebtedness fund.

3. Investments

Investments at June 30, 1982 consist of the following:

	Cost
State of Montana short-term investment pool	$ 4,389,771
U.S. Treasury securities, held by trustees	4,052,591
Cash and investments administered by State Land Board	3,017,097
Certificates of deposit	300,000
	$11,759,459

The investments at June 30, 1982 are owned by the following funds:

Current funds:	
Designated	$ 171,741
Auxiliary enterprises	3,098,862
Restricted	413,625
Endowment funds	3,295,997
Plant funds:	
Unexpended	352,900
Renewals and replacements	103,557
Retirement of indebtedness	3,952,984
Agency	369,793
	$11,759,459

4. Bonds payable

Bonds payable at June 30, 1982 include the following:

Indenture - July 1, 1954	$11,818,000
Resolution - October 14, 1963	3,675,000
Resolution - April 12, 1971	1,545,000
Montana Long Range Building Program - March 1, 1980	6,400,000
	$23,438,000

Net revenues from the following auxiliary enterprises are pledged to the retirement of bonds issued under the July 1, 1954 indenture:

a) All residence halls
b) Most married student and faculty housing units
c) Student union building

The records and accounts of the University's revenue bonds are subject to an annual audit by a certified public accounting firm; copies of the report are available upon request.

5. Retirement plans

All of the University's full-time employees are members of the Montana Public Employees Retirement System or Montana Teacher's Retirement System. The University's contributions to these plans totaled $1,951,791 for the year ended June 30, 1982.

6. Commitments and contingencies

Compensated absences:

As of December 31 of each year, employees can accumulate vacation leave up to twice the number of leave days earned annually and sick leave can be accumulated without limitation. Upon termination, the employee is paid the accumulated vacation leave and 25% of the accumulated sick leave; the value of these accumulations was not available at June 30, 1982. Vacation and sick leave payments are recorded as an expenditure at the time they are paid to the employee.

Capital projects:

As of June 30, 1982, the University has initiated construction on the following major capital projects:

Project	Amount Authorized	Amount Exp. as of 6/30/82
Student union bldg. addition/renovation	$ 5,394,000	$4,394,858
Physical education facilities addition	2,500,000	2,371,218
Vet clinic	90,000	75,584
Experimental animal facility planning	90,000	56,547
Dental clinic	55,000	54,831
Visual communications building	4,598,000	1,695,025
Animal lab facility	2,180,000	123,208
On campus living - fire detection	520,000	0
	$15,427,000	$8,771,271

Leases:

The University reserves the right to limit the amount of expenditures associated with lease contracts without penalty, when in the sole judgment of the University annual funding or program changes necessitate.

MONTANA STATE UNIVERSITY

SCHEDULE OF FEDERAL GRANT EXPENDITURES

	Expenditures	
	Fiscal Year 1982	Fiscal Year 1983
Contract Number		
Office of Education		
G008005015	$ 39,152	$ 8,970
G008005358	48,780	
G008101025	169,408	24,614
G008005038	9,597	
G008101116	153,384	34,030
G008001562	1,123	
00750V1058	10,057	10,123
G008005038	27,544	4,678
G007804239	25,508	
G008100282	5,905	
G008102047	23,592	22,158
G008102311	48,553	10,490
G008102543	28,899	40,852
G008104514	96,242	28,163
G008103963	78,068	23,932
G008004366	148,691	9,457
G008124263	1,890	2,621
G007801075	483	
G008004366	11,781	
G008051896	1,900	
G008000063	4,902	
G008001047	1,424	
G007901078	37,153	
G007804555	33,692	
G008102311		42,118
G008251314		840
G008151347		1,200
G008101025		166,273
G008005038		17,381
G008102311		42,857
G008004366		156,560
G008202081		23,697
G008101116		187,264
Pell	2,210,699	2,366,547
College Work Study	541,694	595,023
NDSL - Administrative and Collection Costs	20,395	75,197
SEOG	405,204	219,488
Subtotal	$4,185,720	$4,114,533

Contract Number	Expenditures Fiscal Year 1982	Fiscal Year 1983
Department of Interior		
MT9501A207	$ 42,269	$ 14,256
CX12009B035	46	406
CX12009B037	10,939	48,970
H0262032	8,602	
YA-553-CTO-83	2,316	
YA-558-PHO-1046	1,271	
MT-950-CT2-3	5,929	5,943
T7010008	2,696	15,924
1410292013	(2,664)	342
1406600614A	2,855	6,335
CX-157090002	1,361	
PX-12003G423	337	633
1416000980015	75,597	937
PO09051181	2,600	643
PO982101762	3,204	
YA558PHI754	8,262	6,786
PO6010115530	658	247
CX120028035	120	
MT950CT130		1,400
14160091516		2,665
CX12002B035		8,972
MT950CT29		1,792
14160091516#2		1,093
14160091516#5		1,064
CX12002B040		2,164
141600091516#4		3,877
Subtotal	$166,398	$124,449
Health and Human Services - Division of Nursing		
2A11NU0023906	33,407	(2,069)
2D23NU0012504R	94,862	26,775
5D10NU2805103	13,711	174,553
1D10NU2805102	195,132	45
1D10NU2805101	(23,584)	
5D23NU000125		121,922
D23NU0012503	18,294	
2A11NU00239-07		23,804
Nursing Loan Collection Costs		1,082
Subtotal	$331,822	$346,112

Contract Number	Expenditures Fiscal Year 1982	Fiscal Year 1983
Health and Human Services - Institute of Allergy & Infectious Diseases		
5R01AI1351205	$ 41,375	$ 26,303
5R01AI1599603	34,861	
2R01AI1351204	14,089	
5K04AI00367123	34,531	43,204
5R01AI179481&2	88,004	48,007
1R01GM3182401		9,792
5R01AI1794803		2,548
Subtotal	$212,860	$129,854
Health & Human Services - Institute of Neurological and Communicative Disorders & Stroke		
1R23N31797401&2	$ 8,116	$ 58,496
Health & Human Services - Division of Research Resources		
2503RR03091-1/2	$ 3,435	$ 4,549
2507RR071000234	15,188	20,489
Subtotal	$ 18,623	$ 25,038
Health & Human Services - National Cancer Institute		
5R01CA2444309	$ 15,681	$ 13,652
5R01CA26647123	72,600	35,254
Subtotal	$ 88,281	$ 48,906
Health & Human Services - National Institute of Environmental Health Sciences		
5K04ES00063-02	$ 8,815	
5K043S00063-03	26,742	$ 36,144
1R01ES02995-01		64,643
2503RR0309103		802
Subtotal	$ 35,557	$101,589

Contract Number	Expenditures Fiscal Year 1982	Fiscal Year 1983
Health & Human Services - Institute of Mental Health		
5T01MH1589803	$ 19,596	
5T01MH1589802	1,800	
5T01MH1589804		$ 30,149
Subtotal	$ 21,396	$ 30,149
Health & Human Services - National Library of Medicine		
1G08LM0366801	$ 57,500	$ 16,729
5G08LM0366802	36,384	67,604
N01LM64741	61	
5G08LM03668		44,764
Subtotal	$ 93,945	$129,097
Health & Human Services - National Institute of Child Health & Human Development		
1R01HD1388001	$ 7,145	
Health & Human Services - Biamedical Research Division		
5S0RR0913503	$ 41,676	
5S0RR0913503	40,633	$ 898
5S0RR0913502	18	
Subtotal	$ 82,327	$ 898
U.S. Department of Agriculture		
1214500142	$ 8,357	$ 12,429
1214500142	114,963	135,005
1214500142	62,731	69,777
1214500114	4,678	13,439
1214100230334	5,098	12,906
1214500142	15,538	32,869
IPA Agreement	28,523	31,789
Sub90115103	765	
EED12170981712	61,453	11,653
4084280	1,414	
59010410903590	27,540	9,273
907153	31,233	11,960
583244988	1,147	
7059230112	3,538	6,924
90115108	5,158	

Contract Number	Expenditures Fiscal Year 1982	Fiscal Year 1983
U.S. Department of Agriculture (con't)		
1210240952	$ 90	$ 251
5303431432	1,615	131
592301050110	33,012	4,486
589AH29376	3,929	
PX12002G015	1,873	946
BARDUS33580	6,250	45,772
589AH21595	18,350	14,762
58519B11110	11,539	31,237
58319V200349	2,638	7,353
AG #619	14,706	
58519B11110	6,054	5,243
58319T00256	(7,084)	
22C21NT63	153	18,628
PNW80116	2,710	
AG30SCS00668	36	12,772
INT81061CA	7,596	2,198
68PNW80	5,483	4,267
AG30SCS00721	8,061	
58-319T10140	39,797	22,736
7061516	460	
INT81062CH	45,626	42,344
589AHZ0526	1,873	8,417
1215775	5,648	
82CSRS21006	625	2,347
82CSRS21006	1,954	10,149
BARD016379	18,599	13,680
592061020130	1,431	4,080
INT81060CA	846	
12112041245	2,002	
NONE	3,326	
Coop Agreement	3,911	
8011566	4,679	
90115150	24,320	
59010410902500	14,213	
58319T10139X	5,551	
Public Law Sec. 1433	8,324	
Public Law Sec. 1433	(467)	
Public Law Sec. 1433	2,891	
Public Law Sec. 1433	5,299	
Public Law Sec. 1433	2,706	
CSRSOD1088D	6,227	15,670
CSRSOD1088D	1,653	14,085
CSRSOD1088D	13,786	14,799
12145001319	1,081	
121685004		25,548

Contract Number	Expenditures Fiscal Year 1982	Fiscal Year 1983
U.S. Department of Agriculture (con't)		
22C2INT65	$	$ 1,056
28C2204		5,920
589AHZ2687		3,255
5303983DE3		30,541
22C2INT064		769
82CRSR21077		21,502
Coop Agreement		7,699
121120412#56		16,183
		5,000
82-CSRS21006		25,277
CSRSOD1088D		23,432
Public Law 95-113 Sec. 1433		9,651
Public Law 95-113 Sec. 1433		15,243
Public Law 95-113 Sec. 1433		2,132
Subtotal	$705,508	$837,585
Department of Defense		
DAAG29-82-K-0127	$ 7,352	$ 45,955
DAAG29-78-G-0089	(2,671)	
F4962077C0125	89,668	
DACW-67-79-D-001	36,845	3,598
N0001480C0475	127,092	77,468
AFOSR-80-0267	99,485	48,160
AFOSR-82-0267	2	49,259
79-C-0210	436	
Subtotal	$358,029	$224,440
Energy Research & Development Administration - DOE		
AT06-76EV0003	$ 26,060	
DEAC2276ET10495	52,805	$ 29,268
SYBI-KOD-CMIRDI	45,261	41,715
SYBI-KOD-CMIRDI	56,341	9,390
SYBI-KOD-CMIRDI	130,802	
SYBI-KOD-CMIRDI	48,172	
SYBI-KOD-CMIRDI	45,214	
DEFG 4881R803026	21,000	
DEAC6581WP15430	95,913	
DEAC2280ET14173	110,276	
DEAP1881FC23116	5,629	3,545
DEAP1881FC22623	9,620	
DEAT0780ID1281	23,864	28,597
DEAC6581WP15430		14,849
MARDI 1-M001-C		4,916
MARDI 1-M001-C		723
Subtotal	$670,957	$133,003

Contract Number	Expenditures Fiscal Year 1982	Expenditures Fiscal Year 1983
National Aeronautics and Space Administration		
NAS-9-16007	$ 96,628	$ 52,720
NSG 2-37	47,677	53,233
Subtotal	$ 144,305	$ 105,953
National Science Foundation		
CHE-8001839	$ 12,958	$ (1,239)
CHE-7824515	44,372	
PFR8011545	40,538	14,816
CPE-8017439	73,018	66,290
SPI-8101439	27,655	(274)
CME-7918050	18,037	(7,174)
DMR-7906892	76,093	51,280
CME-8001927	8,168	
CHE-7916134	300,758	211,980
SPI-8101415	14,561	(536)
CME-7925812	15,345	
SER-8013227	20,000	
MEA-8011592	14,970	9,243
CHE-8119857	6,110	62,812
DMR-8106493	42,913	2,083
CME-8104745	40,000	
DEB-8023341	46,886	56,501
ENG 78-10035	1,156	
DMR 78-09205	2,005	
PCM 76-19565	14,412	
CME-7901636	49,137	26,303
ENG772693401	(1,994)	
Sub/SPI8001315	367	
PRM-8011449	802,206	654,811
CHE-8115565		127,000
CPE-8200112		19,323
DMR-8205280		63,718
EAR-8305173		2,061
PCM 8208393		18,358
ATM 8209836		56,693
DMR 8205581		51,390
INT 8211113		7,176
CEE 8209594		8,458
Subtotal	$1,669,671	$1,501,073

Contract Number	Expenditures Fiscal Year 1982	Expenditures Fiscal Year 1983
Department of Commerce		
ERD747G8023	$ 38,298	$ 3,261
79RAC00013	65	(26)
30-02-01053	4,922	19,190
Subtotal	$ 43,285	$ 22,425
Environmental Protection Agency		
R8072561	$ 41,413	
R808932010	3,424	$ 20,033
CR07240020	39,640	
R00831501	40,871	14,975
POC268HPEX	7,509	1,944
CR807240030	190,350	54,650
CR80947801	222,942	87,058
CR80709203	36,095	26,462
R803595-02403	34,797	157,079
CR80709202	9,034	
IPA-DUL-01	55,422	30,313
CR80593503	74,101	58,923
U-911753-01		247
PO 3B0880HAEX		407
CR81001501		49,847
G008378830		5,657
CR-80947802		49,885
CR-80947802		76,781
CR-80724004		345,468
Subtotal	$755,598	$979,729
WRRC		
14-3-0001-7056	$ (4,560)	$ 31,865
1434-0001-1471	34,218	(420)
1434-0001-2128	47,438	62,012
14-34-0001-1128	40,360	
14-34-0001-1416	20,332	
Subtotal	$137,788	$ 93,457

Contract Number	Expenditures Fiscal Year 1982	Fiscal Year 1983
Other Federal		
106-03 Sec. 601	$ 2,602	$ 7,735
Chp 36 Title 38	5,098	750
SBA 1791-RMA-74	3,629	7,329
PO 1401505		11,067
PO-P8-71-9-698	1,423	
106-02(X11-G0049)	23,931	
589AH22677		38,266
106-03 Sec. 610	59,535	32,788
DTFH61-82-D-4011		950
DMAOTAG27-80	1,737	
ES20653 82		3,228
YA-558PH 1210	5,000	
YA-558PH 1211	5,729	
DEAP1882FC24383		239
106-03 Sec. 610		54,936
784-81-8023	8,611	
IPA-MOR-6	39,861	160
IA19820-19-G	3,149	
784-82-8097		8,159
82-ABA-02125		4,439
DSAN-C-0024	233,515	204,238
DEFG228PC50787		52,363
DSANXIIG0161	65,832	76,399
RTAP 008		39,262
TVA-1131-130		8,469
DEAC2280ET14173		22,229
CSRS-48W40		1,997
300-78-0192		4,259
Subtotal	$ 459,652	$ 579,262
TOTAL	$10,196,983	$9,586,048

MONTANA STATE UNIVERSITY
SCHEDULE OF FULL-TIME EQUIVALENT (FTE) STUDENTS[3]
FOR THE TWO YEARS ENDING JUNE 30, 1983

Quarter	Year	Undergraduate FTEs Reported[1]	Graduate FTEs Reported[2]	Total FTEs Reported
Summer	1981	1,171	457	1,628
Autumn	1981	10,254	406	10,660
Winter	1982	9,936	443	10,379
Spring	1982	8,925	432	9,357
Summer	1982	1,222	396	1,618
Autumn	1982	10,141	444	10,585
Winter	1983	9,920	455	10,375
Spring	1983	9,023	470	9,493

[1] Undergraduate quarterly credit hours divided by 15.

[2] Graduate quarterly credit hours divided by 12.

[3] Includes both Unrestricted and Restricted funded FTEs.

OMB No. 1840-0073
Expires 7/31/84

Application and Fiscal Operations Report (FISAP)

ame of Institution
nd State: Montana State University

Serial Number: 2425

Entity Number: 1 81 600 1649 A1

Part II. Application to Participate - For Award Year July 1, 1984 Through June 30, 1985

Section A. Request for Funds for the 1984-85 Award Year

NDSL Level of Expenditures	$2,500,000
NDSL Federal Capital Contribution	$1,275,123
SEOG Initial Year (IY)	$ 495,000
SEOG Continuing Year (CY)	$ 475,000
CWS Federal Funds	$1,900,000

Section B. CWS Institutional Match Waiver Request

(Applies only to certain schools, see instructions)

6. Do you wish to apply as an institution designated as eligible for Title III?
   ☐ Yes
   ☒ No

7. Do you wish to apply as an institution where 50% or more of its students have parents whose adjusted gross income is less than $7,500 per year?
   ☐ Yes
   ☒ No

ection C. Request for Special CWS Funds for Students from Trust Territory/American Samoa

pplies only to schools with students from certain areas, see instructions)

Number of students to be employed	Estimated average earnings per student (Federal & institutional shares)	Estimated Total earnings (a x b)	Federal share (Not to exceed 80% of column c)	Administrative cost allowance	Total Request (d + e)
a. #	b. $	c. $	d. $	e. $	f. $

ection D. Maintenance of Effort

stitutions that participated in SEOG and/or CWS in ward Year 1982–1983, complete line 9.

9. Institutional Expenditures July 1, 1982–June 30, 1983 $4,895,330

stitutions that received SEOG and/or CWS funds for the rst time in Award Year 1983–84, complete lines 10–14.

10. July 1, 1980–June 30, 1981 Expenditures $
11. July 1, 1981–June 30, 1982 Expenditures $
12. July 1, 1982–June 30, 1983 Expenditures $
13. TOTAL EXPENDITURES $
14. 3 Year Average $

Certain information on this report has been modified. See pages 61 - 66 for the modified report.

Name of Institution and State: Montana State University | Serial Number: 2425 | Entity Number: 1- 81 600 1649 A1

Section E. Assessments and Expenditures

		(a) Undergraduate	(b) Graduate/Professional
15.	Total tuition and fees for the Award Year July 1, 1982-June 30, 1983	$9,752,368	$705,936
16.	Total expended to fund Pell recipients for the 1982-83 Pell Grant Award Year	$2,366,547	
17.	Total expended for State grants and scholarships made to undergraduates for the Award Year July 1, 1982 to June 30, 1983	$ 117,022	
18.	Total expended for institutionally administered grants and scholarships made to undergraduates for the Award Year JULY 1, 1977 to JUNE 30, 1978	$ 843,748	

Section F. Information on Eligible Aid Applicants for Award Year 1982-83

	Total Taxable & Non taxable Income	DEPENDENT Undergraduate	DEPENDENT Graduate/Professional	Total Taxable & Non taxable Income	INDEPENDENT Undergraduate	INDEPENDENT Graduate/Professional
19.	$ 0 – $ 2,999	452	9	$ 0 – $ 999	908	115
20.	3,000 – 5,999	71	1	1,000 – 1,999	182	19
21.	6,000 – 8,999	124	0	2,000 – 2,999	112	6
22.	9,000 – 11,999	135	2	3,000 – 3,999	137	13
23.	12,000 – 14,999	191	1	4,000 – 4,999	66	8
24.	15,000 – 17,999	163	2	5,000 – 5,999	39	9
25.	18,000 – 20,999	163	3	6,000 – 6,999	21	1
26.	21,000 – 23,999	142	0	7,000 – 7,999	29	4
27.	24,000 – 26,999	177	0	8,000 – 8,999	29	0
28.	27,000 – 29,999	149	2	9,000 – 9,999	19	0
29.	30,000 – 32,999	122	0	10,000 – 10,999	9	0
30.	33,000 – 35,999	107	3	11,000 – 11,999	6	5
31.	36,000 – 38,999	67	0	12,000 – 12,999	9	0
32.	39,000 – 41,999	50	0	13,000 – 13,999	5	1
33.	42,000 – 44,999	33	0	14,000 – 14,999	0	0
34.	45,000 – OVER	67	1	15,000 – OVER	8	4
35.	Total	2,213	24	Total	1,579	185

Section G. Information on Enrollment

(Institutions with TRADITIONAL CALENDAR)

Institutions that had Fall 1982 enrollment, fill in line 36.

		(a) Undergraduate	(b) Graduate/Professional
36.	Total number of students, Fall, 1982	10,181	737

Institutions that did not have Fall 1982 enrollment, fill in lines 37 and 38.

		(a) Undergraduate	(b) Graduate/Professional
37.	Estimated number of students, Fall, 1983	N/A	N/A
38.	Projected number of students, Fall, 1984	N/A	N/A

(Institutions with NON-TRADITIONAL CALENDAR)

		(a) Continuing Students	(b) New Starts
39.	July 1, 1982		
40.	August 1		
41.	September 1		
42.	October 1		
43.	November 1		
44.	December 1		
45.	January 1, 1983		
46.	February 1		
47.	March 1		
48.	April 1		
49.	May 1		
50.	June 1, 1983		
51.	Total		

Name of Institution and State: Montana State University | Serial Number: 2425 | Entity Number: 1-81-600-1649-A1

Part III. National Direct Student Loan Program

UNAUDITED

SECTION A – FISCAL REPORT *(CUMULATIVE)* AS OF JUNE 30, 1983

NOSLP ACCT. NO.	ITEM a		NO. OF BORROWERS b	DEBIT BALANCES c	CREDIT BALANCES d
1	CASH ON HAND AND IN DEPOSITORY			$ 228,828	
2	FUNDS RECEIVABLE FROM FEDERAL GOVERNMENT			$ 0	
3	FUNDS RECEIVABLE FROM INSTITUTION			$ 0	
4	FUNDS ADVANCED TO STUDENTS		12,224	$13,763,213	
5	LOAN PRINCIPAL COLLECTED		9,019		$ 6,469,269
5.1	DEFAULTED LOAN PRINCIPAL ASSIGNED TO AND ACCEPTED BY THE UNITED STATES		67		$ 58,207
6.1	TEACHING SERVICE - 10% RATE	$ 253,064	324		
6.2	TEACHING SERVICE - 15% RATE	$ 203,876	234		
6.3	MILITARY SERVICE - 12-1/2% RATE	$ 13,580	41		
6.4	LOAN PRINCIPAL CANCELLED ON LOANS MADE PRIOR TO JULY 1, 1972 *(control)*				$ 470,521
7.1	TEACHING SERVICE - 15% RATE	$ 51,514	135		
7.2	TEACHING SERVICE - 20% RATE	$ 23,615	45		
7.3	TEACHING SERVICE - 30% RATE	$ 4,701	14		
7.4	MILITARY SERVICE - 12-1/2% RATE	$			
7.5	LOAN PRINCIPAL CANCELLED ON LOANS MADE JULY 1, 1972 AND AFTER *(control)*		135		$ 79,830
8	LOAN PRINCIPAL CANCELLED - DEATH		35		$ 59,518
9	LOAN PRINCIPAL CANCELLED - DISABILITY		6		$ 6,010
10	LOAN PRINCIPAL CANCELLED - BANKRUPTCY		35		$ 58,235
11	LOAN PRINCIPAL ADJUSTMENTS - OTHER		0		$ 0
12	FEDERAL CAPITAL CONTRIBUTIONS				$ 6,523,232
13	REPAYMENTS OF FUND CAPITAL TO FEDERAL GOVERNMENT			$ 0	
14	INSTITUTIONAL CAPITAL CONTRIBUTIONS				$ 724,803
15	REPAYMENTS OF FUND CAPITAL TO INSTITUTION			$ 0	
16	INTEREST INCOME ON LOANS				$ 760,180
17	OTHER INCOME				$ 0
18	REIMBURSEMENTS TO THE FUND OF AMOUNTS CANCELLED ON LOANS MADE JULY 1, 1972, AND AFTER				$ 59,397
19.1	COSTS OF LITIGATION	$ 1,590			
19.2	ADMINISTRATIVE EXPENSES	$ 429,775			
19.3	OTHER COLLECTION COSTS	$ 18,508			
19.4	COSTS OF LITIGATION, ADMINISTRATIVE EXPENSES, AND OTHER COLLECTION COSTS *(control)*			$ 449,873	
20	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR TEACHING SERVICE ON LOANS MADE PRIOR TO JULY 1, 1972			$ 525,121	
21	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR MILITARY SERVICE ON LOANS MADE PRIOR TO JULY 1, 1972			$ 15,571	
22	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR TEACHING SERVICE ON LOANS MADE JULY 1, 1972, AND AFTER			$ 90,382	
23	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR MILITARY SERVICE ON LOANS MADE JULY 1, 1972, AND AFTER			$ 0	
24	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF DEATH			$ 60,158	
25	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF DISABILITY			$ 6,204	
26	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF BANKRUPTCY			$ 61,839	
27	COST OF DEFAULTED LOAN PRINCIPAL AND INTEREST ASSIGNED TO AND ACCEPTED BY THE UNITED STATES			$ 68,013	
27.1	OTHER COSTS OR LOSSES *(Specify)*			$ 0	
28	TOTAL DEBITS AND CREDITS *(sum of lines 1 through 27.1)*			$15,269,202	$15,269,202

Name of Institution and State: Montana State University | Serial Number: 2425 | Entity Number: 1- 81 600 1649 A1

Section B. Fund Activity (Annual) During the 1982-83 Award Year (July 1, 1982 through June 30, 1983)

		Amount
1. Final adjusted Federal Capital Contribution authorization	09/30/82 (date of adj)	$ 198,765
2. Amount of authorized Federal Capital Contribution for Award Year 1982-83 not requested from EDPMTS by June 30, 1983		$ 0
3. Loans advanced to students from the loan fund during the 1982-83 Award Year (minus 1982-83 Award Year refunds)		$ 1,000,622
4. Administrative cost allowance for the 1982-83 Award Year (see instructions)		$ 48,650

	Number of Borrowers (a)	Amount (b)
5. Total principal and interest repaid by borrowers from all sources during the 1982-83 Award Year	3,214	$ 931,861

6. **Calculating the Default Rate** (Defaulted Principal Amount Outstanding / Matured Loans x 100 = Default Rate)

$$\frac{\text{Part III, Section C, Line 7.7, Column e: } 351,903}{\text{Part III, Section A, Line 4, Column c minus the sum of Part III, Section C, Line 4.1, Column b and Line 4.2, Column b: } 10,697,106} \times 100 = 3.29\%$$

Name of Institution and State: Montana State University

Serial Number: 2425

Entity Number: 1-81-600-1649-A1

UNAUDITED

SECTION C—CUMULATIVE REPAYMENT INFORMATION AS OF JUNE 30, 1983

STATUS OF BORROWERS AS OF JUNE 30, 1983	NUMBER OF BORROWERS a	AMOUNT LENT b	PRINCIPAL AMOUNT REPAID OR CANCELLED c	LOAN PRINCIPAL ASSIGNED TO AND ACCEPTED BY THE U.S. d	PRINCIPAL AMOUNT OUTSTANDING e	PRINCIPAL AMOUNT PAST DUE AND IN DEFAULT f	PRINCIPAL AMOUNT IN DEFERRED STATUS g
1. Borrowers whose loans are fully retired	6,411	5,118,647					
2. Borrowers whose defaulted loans were referred to and accepted by the U.S. on or before September 15, 1979	16	14,208	295		13,913		
3. Borrowers whose defaulted notes were assigned by March 31, 1983 and accepted by the U.S. as of June 30, 1983.	66	66,387	8,180	58,207			
4.1 Student status at your institution or at another institution	2,174	2,600,773			2,513,779		
4.2 First grace period	403	471,334			464,622		
4.3 Deferment and other grace periods	102				106,406		11,194
4.4 Total borrowers not in repayment status *(sum of lines 4.1 through 4.3)*	2,679				3,081,807		
5. Borrowers on schedule in repayment status	2,161				2,565,666		
Less than 120 days (monthly installments)	23	43,115	19,083		24,032	576	
6.2 Less than 180 days (other installments)	279	451,408	146,269		305,139	24,266	
6.3 Borrowers whose accounts are past due but not in default	231	369,255	135,851		233,404	112,081	
6. Total borrowers whose accounts are currently in default/ pastdue but not used in computing the default rate *(sum of lines 6.1 through 6.3)*	533	863,778	301,203		562,575	136,924	
7.1 Borrowers whose defaulted loans were referred to and accepted by the U.S. on and after September 16, 1979	0	0	0		0	0	
7.2 120 days or more up to 2 years *(monthly installments)*	1	484	0		484	396	
7.3 180 days or more up to 2 years *(other installments)*	108	155,326	22,465		132,861	42,451	
7.4 More than 2 years up to 4 years	93	114,950	16,676		98,274	63,228	
7.5 More than 4 years up to 9 years	131	137,599	31,319		106,280	94,745	
7.6 More than 9 years	25	21,187	7,183		14,004	14,004	
7.7 Total borrowers whose accounts are currently in default & used in computing the default rate *(sum of lines 7.1 through 7.6)*	358	429,546	77,643		351,903	214,824	
8. *Total*					6,575,864	351,748	11,194

Application and Fiscal Operations Report (FISAP)

Name of Institution and State: Montana State University | Serial Number: 2425 | Entity Number: 1- 81 - 600- 1649 - 81

Part IV. Supplemental Educational Opportunity Grants Program (SEOG)

For Award Year July 1, 1982 Through June 30, 1983

Section A. Funds Authorized/Released for SEOG

		a Initial Year Allocation	b Continuing Year Allocation
1. Final Adjusted SEOG Authorization	09/30/83 (date of adj.)	$ 124,874	$ 110,999

Section B. Funds Available for SEOG Expenditures

2. CWS Transferred to and Spent in SEOG		+ $ 0	+ $ 0
3. SEOG Transferred to and Spent in CWS		− $ 522	− $ 15,863
4. Funds Available	(IY = Lines 1 + 2 − 3) (CY = Lines 1 + 2 − 3)	$ 124,352	$ 95,136

Section C. Funds Spent for SEOG Program

5. SEOG Disbursements to Students		$ 124,352	$ 83,369
6. Administrative Cost Allowance Claimed		+ $ 0	+ $ 11,767
7. Funds Spent (Lines 5 + 6)		$ 124,874	$ 95,136

Section D. Use of SEOG Authorization

8. Expended SEOG Authorization (Line 3 + Line 7 − Line 2)		$ 124,874	$ 110,999
9. Unexpended SEOG Authorization (Line 1 − Line 8) (cannot be negative)		$ 0	$ 0

Section E. Miscellaneous Information

10	Amount of SEOG Disbursements to Less than Half-Time Students (IY and CY) (Cannot be more than 10% of your 1982-83 original and supplemental authorizations plus line 3 of Part V).	$ 0
11.	Prior Year Recoveries	$ 0

Application and Fiscal Operations Report (FISAP)

Name of Institution and State: Montana State University | Serial Number: 2425 | Entity Number: 1-81-600-1649-A1

Part V. College Work-Study Program (CWS) For Award Year July 1, 1982 Through June 30, 1983

Section A. Funds Authorized/Released for CWS

1. Final Adjusted CWS Authorization	date of adj.	$567,712

Section B. Funds Available for CWS Expenditures

2. SEOG Funds Transferred to and Spent in CWS		+ $16,385
3. CWS Funds Transferred to and Spent in SEOG		− $0
4. 1983-84 Funds Carried Back and Spent in 1982-83		+ $0
5. 1981-82 Funds Carried Forward and Spent in 1982-83		+ $67,697
6. 1982-83 Funds Carried Forward to be Spent in 1983-84		− $56,771
7. 1982-83 Funds Carried Back and Spent in 1981-82		− $0
8. Total Funds Available for 1982-83 (Lines 1 + 2 − 3 + 4 + 5 − 6 − 7)		$595,023

Section C. Total Compensation for CWS

9. Total Earned Compensation for Regular CWS Jobs	$673,784
10. Total Earned Compensation for Community Service Learning Program Jobs	+ $0
11. Total Earned Compensation for Total CWS Program (Line 9 + Line 10)	$673,784
12. Institutional Share of Earned Compensation (See Instructions)	$137,452

Section D. Funds Spent from Federal Share of CWS

13. Federal Share of CWS Disbursements to Students (Both Regular and Community Service Learning Program)	$536,334
14. Administrative Cost Allowance Claimed for Regular CWS Program	+ $33,689
15. Administrative Cost Allowance Claimed for CSLP (May Not Exceed 10% of Line 10)	+ $0
16. Federal Share of Job Location and Development Program Expenditures (The lesser of $25,000 or 10% of (your 1982-83 original and supplemental authorizations plus lines 4 and 5 of Part V)).	+ $25,000
Total Federal Funds Spent for CWS (Sum of Lines 13 through 16)	$595,023

Section E. Use of CWS Authorization

17. Expended CWS Authorization (Lines 3 + 6 + 7 + 17) minus (Lines 2 + 4 + 5)	$556,712
18. Unexpended CWS Authorization (Line 1 − Line 18)	$0

Section F. Miscellaneous Information

20.	Federal Share of Compensation Earned by Less-Than-Half Time Students	$ 0
21.	Prior Year Recoveries	$ 0

Section G. Information About the Job Location and Development Program

22.	Total Expenditures for the Job Location and Development Program	$ 32,476
23.	Institutional Share of JLD Program Expenditures (See Instructions)	– $ 7,476
24.	Federal Share of JLD Program Expenditures (Line 22 – Line 23. Line 24 Must Equal Section D, Line 16)	$ 25,000
25.	Number of Enrolled Students for Whom Jobs Were Located or Developed	337
26.	Total Earnings of the Students in Line 25 Above	$ 201,282

Section H. Maintenance of Effort for the Job Location and Development Program

If your institution operated a Federal JLD Program in 1982-83, fill in line 27 only.

27.	Institutional Expenditures for JLD Program in Award Year 1982-83	$ 7,476

If your institution is operating a Federal JLD Program for the first time in 1983-84, fill in lines 28 - 32 only.

28.	Institutional Expenditures for JLD Program in Award Year 1980-81	$ N/A
29.	Institutional Expenditures for JLD Program in Award Year 1981-82	$ N/A
30.	Institutional Expenditures for JLD Program in Award Year 1982-83	$ N/A
31.	Total (Sum of Lines 28, 29, and 30)	$ N/A
32.	Average Annual Expenditure	$

Application and Fiscal Operations Report (FISAP)

OMB No. 1840-0073

Name of Institution and State: Montana State University | Serial Number: 2425 | Entity Number: 1-81-600-1649-A1

Part VI. Program Summary

For Award Year July 1, 1982 Through June 30, 1983

Section A. Income Distribution of Program Recipients

STUDENT FAMILY INCOME CATEGORY	NDSL		SEOG IY		SEOG CY		CWS		SUMMARY	
	a Recipients	b Funds	c Recipients	d Funds	e Recipients	f Funds	g Recipients	h Amount Earned	i Unduplicated Number of Recipients	j Amount Spent
Dependents Undergraduate — 1. $0 – 5,999	130	84,929	30	12,035	13	5,700	82	85,561	219	188,225
2. $6,000 – 11,999	106	67,144	15	8,392	5	2,617	67	39,231	134	117,384
3. $12,000 – 17,999	158	101,901	22	11,451	15	7,913	92	55,754	204	177,019
4. $18,000 – 23,999	135	88,300	22	10,418	11	6,900	83	48,044	168	153,662
5. $24,000 – 29,999	152	99,353	25	13,567	12	4,801	90	51,275	175	168,996
6. $30,000 and OVER	140	93,678	12	7,150	6	4,134	83	52,503	170	157,465
7. Undergraduate Independent	637	422,643	143	61,339	115	51,304	304	299,871	908	835,157
8. Graduate	81	56,815	DOES NOT APPLY	DOES NOT APPLY	DOES NOT APPLY	DOES NOT APPLY	39	41,545	98	98,360
9. Less than half-time students	DOES NOT APPLY	DOES NOT APPLY	0	0	0	0	0	0	0	0
10. TOTAL	1,539	1,014,763	269	124,352	177	83,369	840	673,784	2,080	1,896,268

Name of Institution and State: Montana State University | Serial Number: 2425 | Entity Number: 1- 81 600 1649 A1

Administrative Cost Allowance Worksheet (Worksheet must be retained for audit and program reviews)

Section B. Calculating the Administrative Cost Allowance

STEP 1 Calculate the amount spent in 1982-83 on which the Administrative Cost Allowance is based:

1. Total compensation in CWS (amount from Part V, Section Section C, line 11)	$673,784		
2. CSLP employment expenditures (amount from Part V, Section C, line 10)	– $ 0		
3. Eligible expenditures for Administrative Cost Allowance calculation (line 1 minus line 2) (must be the same as Part V, Section C, line 9)			$ 673,784
4. Amount of NDSL funds advanced to students (amount from Part III, Section B, line 3)			+ $1,000,622
5. SEOG funds disbursed to students (amount from Part IV, Section C, line 5, columns a + b)			+ $ 207,721
6. TOTAL Amount Spent (lines 3 + 4 + 5)			$1,882,127

STEP 2 Calculate the Administrative Cost Allowance:

(Complete only ONE Subsection)

Institutions whose total amount spent was $2,750,000 OR LESS

7. Enter total amount spent (line 6)	$1,882,127		
8. Multiply	x .05		
9. TOTAL Administrative Cost Allowance	$ 94,106		

(GO TO STEP 3)

Institutions whose total amount spent was MORE THAN $2,750,000 but LESS THAN $5,500,000

10. Enter total amount spent (line 6)	$		
11. Subtract	– $2,750,000		
12. Expenditures over $2,750,000 (line 10 minus line 11)	$		
13. Multiply	x .04		
14. Administrative Cost Allowance on expenditures over $2,750,000 (line 12 x line 13)			$
15. Add Administrative Cost Allowance on expenditures of $2,750,000			+ $ 137,500
16. TOTAL Administrative Cost Allowance (line 14 + line 15)			$

(GO TO STEP 3)

Institutions whose total amount spent was $5,500,000 OR MORE

17. Enter total amount spent (line 6)	$		
18. Subtract	– $5,500,000		
19. Expenditures over $5,500,000 (line 17 minus line 18)	$		
20. Multiply	x .03		
21. Administrative Cost Allowance on expenditures over $5,500,000 (line 19 x line 20)			$
22. Add Administrative Cost Allowance on expenditures of $5,500,000			+ $ 247,500
23. TOTAL Administrative Cost Allowance (line 21 + line 22)			$

(GO TO STEP 3)

STEP 3 Decide how much Administrative Cost Allowance the Institution claimed:

24. How much Administrative Cost did the Institution claim? (The amount may be the same or less than the amount calculated in Step 2)		$ 94,106
25. How much Administrative Cost did the Institution claim in each program?		
a. NDSL (must usually be the same as Part III, Section B, line 4, see instructions for Part III, Section B)	$ 48,650	
b. SEOG IY (must be the same as Part IV, Section C, line 6, column a)	$ 0	
c. SEOG CY (must be the same as Part IV, Section C, line 6, column b)	$ 11,767	
d. CWS (must be the same as Part V, Section D, line 14)	$ 33,689	

Form 646-1, 4/83

002425 (CONTINUED)

RUN DATE 11/29/83

FIN: 181600164 9A1

NAME: MONTANA STATE UNIVERSITY

ADDRESS: #114 STRAND UNION BLDG

CITY: BOZEMAN STATE: MT ZIP: 59717

	LINE	COL	DESCRIPTION	AMOUNT		PG	DATA ELEMENT	CORRECTION DATA	ERROR CODES
•••	0002	A	CWS AMT SPENT IN SEOG IY	0	X	39	3250		00720
	0002	B	CWS AMT SPENT IN SEOG CY	0		39	3260		
•••	0003	A	SEOG-IY AMOUNT SPENT IN CWS	522	X	39	3270		00720
	0003	B	SEOG-CY AMOUNT SPENT IN CWS	15,863		39	3280		
	0004	A	SEOG-FUNDS AVAILABLE IY	124,352		39	3290		
	0004	B	SEOG FUNDS AVAILABLE CY	95,136		39	3300		
•••	0005	A	SEOG IY DISBURSEMENTS TO STUDENTS	124,352	X	39	3310		00718
	0005	B	SEOG CY DISBURSEMENTS TO STUDENTS	83,369		39	3320		
•••	0006	A	ADMINISTRATIVE COST ALLOWANCE - IY	0	X	39	3330		00718
	0006	B	ADMINISTRATIVE COST ALLOWANCE -CY	11,767		39	3340		
•••	0007	A	SEOG IY FUNDS SPENT	124,874		39	3350	124,352	00718 00720
	0007	B	SEOG CY FUNDS SPENT	95,136		39	3360		
•••	0008	A	TOTAL SEOG-IY EXPENDITURES	124,874	X	39	3370		00720
	0008	B	TOTAL SEOG-CY EXPENDITURES	110,999		39	3380		
	0009	A	UNEXPENDED SEOG-IY AUTHORIZATION	0		39	3390		
	0009	B	UNEXPENDED SEOG-CY AUTHORIZATION	0		39	3400		
	0010	0	TOTAL SEOG AMT TO LESS HALF TIME STUDS	0		39	3410		
	0011	0	PRIOR YEARS' RECOVERIES, SEOG	0		39	3420		

NAME: MONTANA STATE UNIVERSITY
ADDRESS: #114 STRAND UNION BLDG
CITY: BOZEMAN STATE: MT ZIP: 59717

LINE	COL	DESCRIPTION		AMOUNT		PG	DATA ELEMENT	CORRECTION DATA	ERROR CODES
0008	E	TOTAL AMOUNT OUTSTANDING		6,575,884		35	3090	6,561,623	
0008	F	TOTAL AMOUNT PAST DUE		351,748		35	3100		
0008	G	TOTAL AMOUNT DEFERRED		11,194		35	3110		
(PART III) S E C T I O N D (PAGE 37)									
0001	O	DOES INSTITUTION USE BILLING AGENCY?	1			37	3120		
0002	O	DOES INSTITUTION USE COLLECTION AGENCY?	1			37	3130		
0004	A	NO OF BRWRS - COLLECTION AGENCY		386		37	3140		
0004	B	AMOUNT OF LOANS - COLLECTION AGENCY		230,320		37	3150		
0005	A	NO OF BORROWERS,REPAID COLLECTION AGENCY		699		37	3160		
0005	B	AMOUNT COLLECTED - COLLECTION AGENCY		79,449		37	3170		
0006	B	AMOUNT PAID TO COLLECTION AGENCY		26,547		37	3180		
0007	A	NUMBER OF BORROWERS IN LITIGATION		21		37	3190		
0007	B	AMOUNT OF LOANS IN LITIGATION		17,317		37	3200		
S U P P L E M E N T A L E D U C A T I O N A L O P P O R T U N I T Y G R A N T S P R O G R A M (PART IV) (PAGE 39)									
0000	O	SEOG DATE OF ADJUSTMENT	093083			39	3225		
0001	A	FINAL ADJUSTED AUTHORIZATION - IY		124,874		39	3230		
0001	B	FINAL ADJUSTED AUTHORIZATION - CY		110,999		39	3240		

NAME: MONTANA STATE UNIVERSITY
ADDRESS: #114 STRAND UNION BLDG
CITY: BOZEMAN STATE: MT ZIP: 59717

LINE	COL	DESCRIPTION	AMOUNT		PG	DATA ELEMENT	CORRECTION DATA	ERROR CODES
0025	C	COST OF LOAN - DISABILITY	6,204		31	2180		
0026	C	COST OF LOAN - BANKRUPTCY	61,839		31	2190		
0027	C	COST OF DEFAULT ASSIGN	68,013		31	2200		
27.1	C	OTHER COSTS OR LOSSES, NDSL	0		31	2210		
0028	C	TOTAL DEBITS, NDSL	15,269,202		31	2220		
*** 0028	D	TOTAL CREDITS, NDSL	15,269,202	X	31	2230		00330
(PART III)S E C T I O N B (PAGE 33)								
0000	O	NDSL DATE OF ADJUSTMENT	093082		33	2235		
0001	O	FINAL ADJUSTED NDSL AUTHORIZATION	198,765		33	2240		
0002	O	FCC AMOUNT NOT REQUESTED-NDSL	0		33	2250		
0003	O	LOANS ADVANCED TO STUDENTS	1,000,622		33	2260		
0004	O	ADMINISTRATIVE EXPENSE ALLOWANCE, NDSL	48,650		33	2270		
0005	A	TOTAL COLLECTIONS-BORROWERS	3,214		33	2280		
0005	B	TOTAL COLLECTIONS	931,861		33	2290		
(PART III)S E C T I O N C (PAGE 35)								
0001	A	BORROWERS RETIRED	6,411		35	2310	6,111	
0001	B	AMOUNT LENT - RETIRED	5,118,647		35	2320		

NAME: MONTANA STATE UNIVERSITY
ADDRESS: #114 STRAND UNION BLDG
CITY: BOZEMAN STATE: MT ZIP: 59717

	LINE	COL	DESCRIPTION	AMOUNT		PG	DATA ELEMENT	CORRECTION DATA	ERROR CODES
	0011	B	NO OF BRWRS, LOAN ADJUSTMENTS-OTHER	0		31	1990		
***	0011	D	LOAN PRINCIPAL ADJUSTMENTS-OTHER	0		31	2000		00330
***	0012	D	FEDERAL CAPITAL CONTRIBUTION, NDSL	6,523,252		31	2010	6,523,232	00330
	0013	C	REPAY TO FEDERAL GOVERNMENT, NDSL	0		31	2020		
***	0014	D	INSTITUTION'S CAPITAL CONTRIBUTION, NDSL	724,803	X	31	2030		00330
	0015	C	REPAY NDSL FUND CAPITAL TO INSTITUTION	0		31	2040		
***	0016	D	INTEREST ON LOANS	760,180	X	31	2050		00330
***	0017	D	OTHER INCOME, NDSL	0	X	31	2060		00330
***	0018	D	REIMBURSEMENTS, AMOUNTS CANCELLED, NDSL	59,397	X	31	2070		00330
	19.1	A	COSTS OF LITIGATION	1,590		31	2080		
	19.1	B	NO OF BRWRS,LITIGATION	0		31	2090		
	19.2	A	ADMINISTRATIVE EXPENSES, NDSL	429,775		31	2100		
	19.3	A	OTHER COLLECTION COSTS	18,508		31	2110		
	19.4	C	LITIGATION, ADMIN EXPENSES, ETC.	449,873		31	2120		
	0020	C	COST OF TEACHING SERVICE BEFORE 1972	525,121		31	2130		
	0021	C	COST OF MILITARY SERVICE BEFORE 1972	15,571		31	2140		
	0022	C	COST OF TEACHING SERVICE AFTER 1972	90,382		31	2150		
	0023	C	COST OF MILITARY SERVICE AFTER 1972	0		31	2160		
	0024	C	COST OF LOAN - DEATH	60,158		31	2170		

SERIAL: 002425 (CONTINUED)

RUN DATE 11/29/83

EIN: 1816001649A1

NAME: MONTANA STATE UNIVERSITY

ADDRESS: #114 STRAND UNION BLDG

CITY: BOZEMAN STATE: MT ZIP: 59717

WE, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE INFORMATION PRINTED ABOVE, AS WELL AS ANY ERROR CORRECTIONS NOTED, IS CORRECT AND COMPLETE TO THE BEST OF OUR KNOWLEDGE

DATE 12/16/83 SIGNED: James R. Craig PHONE (406) 994-2845
(DIRECTOR OF STUDENT FINANCIAL AID)

DATE __/__/__ SIGNED: _____ PHONE (406) 994-4361
(CHIEF FISCAL OFFICER)

PLEASE FORWARD ALL PAGES INCLUDING THE SIGNATURE PAGE POSTMARKED BY DECEMBER 22, 1983 TO:

DEPARTMENT OF EDUCATION
OFFICE OF STUDENT FINANCIAL ASSISTANCE
DIVISION OF PROGRAM OPERATIONS
CAMPUS AND STATE GRANTS BRANCH
REGIONAL OFFICE BUILDING NO. 3 - ROOM 4621
WASHINGTON, D.C. 20202-3446

AL: 002425 (CONTINUED)

EIN: 1816001649A1

RUN DATE 11/29/83

NAME: MONTANA STATE UNIVERSITY

ADDRESS: #114 STRAND UNION BLDG

CORRECTED COPY

CITY: BOZEMAN STATE: MT ZIP: 59717

C O L L E G E W O R K S T U D Y P R O G R A M (PART V) S E C T I O N A B C D E (PAGE 41)

	LINE	COL	DESCRIPTION		AMOUNT		PG DATA ELEMENT	CORRECTION DATA	ERROR CODES
	0000	0	CWS DATE OF ADJUSTMENT	000000			41 3425		
	0001	0	FINAL ADJUSTED CWS AUTHORIZATION		567,712	X	41 3430		00767 00830
***	0002	0	SEOG FUNDS SPENT IN CWS		16,385	X	41 3440		00767 00820
***	0003	0	CWS AMOUNT TRANSFERRED TO SEOG		0	X	41 3450		00767 00820
***	0004	0	CWS FUNDS CARRIED BACK		0	X	41 3460		00767 00820
***	0005	0	CWS FUNDS CARRIED FORWARD FOR 82-83		0		41 3470	67,697	00767 00820
***	0006	0	CWS FUND CARRIED FORWARD 83-84		0		41 3480	56,771	00767 00820
***	0007	0	CWS FUNDS CARRIED BACK 81-82		0	X	41 3490		00767 00820
***	0008	0	CWS TOTAL FUNDS 82-83		0		41 3500	595,023	00767
	0009	0	REGULAR COMPENSATION		673,754		41 3510		
	0010	0	TOTAL EARNED COMPENSATION FOR CSLP		0		41 3520		
	0011	0	TOTAL EARNED COMP		673,784		41 3530		
	0012	0	INSTITUTION SHARE OF EARNED COMPENSATION		137,452		41 3540		
	0013	0	FEDERAL SHARE OF EARNED COMPENSATION		536,334		41 3550		
	0014	0	ADMINISTRATIVE COST ALLOWANCE - CWS		33,689		41 3560		
	0015	0	ADMINISTRATIVE COST ALLOWANCE - CSLP		0		41 3570		
	0016	0	CWS FUNDS USED FOR JOB DEVELOPMENT		25,000		41 3580		
***	0017	0	TOTAL FEDERAL FUNDS SPENT FOR CWS		595,023	X	41 3590		00820
***	0018	0	CWS EXPENDED		556,712		41 3600	567,712	00820 00830

Application and Fiscal Operations Report (FISAP)

Part I. Identifying Information and Certifications

Section A. Identifying Information

1. Name and Address of Institution

MONTANA STATE UNIVERSITY
Bozeman, MT 59717

2. Serial No. 2425
(4 digits)

3. Entity No. 1. 81-6001649A1
(11 digits)

Branch Campuses

If there is not enough space here to list all of your branch campuses, attach a list on a separate sheet of paper.

I have attached a separate list of branch campuses

☐ Yes
☒ No

a.

b.

c.

d.

4. Type of Institution ("X" one)

☒ 4.1 Public
☐ 4.2 Private, Non-Profit
☐ 4.3 Proprietary
☐ 4.4 Postsecondary Vocational

5. Length/Type of Program ("X" one)

☐ 5.1 Less than 1 year
☐ 5.2 1 year but less than 2 years
☐ 5.3 2 years but less than 3 years
☐ 5.4 3 years but less than 4 years
☐ 5.5 4 years (Baccalaureate Degree granting unit)
☒ 5.6 5 years or more
☐ 5.7 Postbaccalaureate

Section B. Certifications

We certify that the information contained in this form is true and accurate to the best of our knowledge. We understand that the information is subject to audit by representatives of the Secretary of Education.

WARNING: Any person who knowingly provides false or misleading information on this form will be subject to a fine of up to $10,000 or to imprisonment of up to 5 years or to both under provisions of the United States Criminal Code.

6. President of Institution

Signature William J. Tietz

Typed name William J. Tietz

Date signed

Telephone no. 406-994-2341
area code · number · extension

7. Financial Aid Administrator

Signature James R. Craig

Typed name James R. Craig

Date signed 10/13/82

Telephone no. 406-994-2845
area code · number · extension

8. Chief Fiscal Officer

Signature Thomas E. Nopper

Typed name Thomas E. Nopper

Date signed

Telephone no. 406-994-4361
area code · number · extension

OMB No. 1E

Application and Fiscal Operations Report (FISAP)

Name of Institution MONTANA STATE UNIVERSITY Serial Number 2425 Entity Number 1 81-6001649A1

Part II. Application to Participate

Section A. Request for Funds for the 1983-84 Award Year

1. NDSL Level of Expenditures $ 2,100,000
2. NDSL Federal Capital Contribution $ 1,023,939
3. SEOG Initial Year (IY) $ 475,000
4. SEOG Continuing Year (CY) $ 425,000
5. CWS Federal Funds $ 1,900,000

Section B. CWS Waiver Request

(Applies only to certain schools, see instructions)

6. Do you wish to apply as a developing institution?
   - ☐ Yes
   - ☒ No

7. Do you wish to apply as an institution which has 50% more of its students from families with an income of l than $7,500?
   - ☐ Yes
   - ☒ No

Section C. Request for Special CWS Funds for Students from Trust Territory/American Samoa

(Applies only to schools with students from certain areas; see instructions)

	Number of students to be employed	Estimated average earnings per student (Federal & institutional shares)	Estimated Total earnings (a x b)	Federal share (Not to exceed 80% of column c)	Administrative cost allowance	Total Re (d + e)
8.	a. #	b. $	c. $	d. $	e. $	f. $

Section D. Maintenance of Effort

Institutions that participated in SEOG and/or CWS in Award Year 1981–1982, complete line 9.

9. Institutional Expenditures July 1, 1981–June 30, 1982 $ 4,573,849

Institutions that received SEOG and/or CWS funds for the first time in Award Year 1982–1983, complete lines 10–14.

10. July 1, 1979–June 30, 1980 Expenditures $
11. July 1, 1980–June 30, 1981 Expenditures $
12. July 1, 1981–June 30, 1982 Expenditures $
13. TOTAL EXPENDITURES $
14. 3-Year Average $

Name of Institution MONTANA STATE UNIVERSITY Serial Number 2425 Entity Number 1 81-6001649A1

Section E. Assessments and Expenditures

		(a) Undergraduate	(b) Graduate/Professional
15.	Total tuition and fees for the Award Year July 1, 1981–June 30, 1982	$ 8,923,200	$ 593,865
16.	Total expended to fund Pell recipients for the 1981–82 Pell Grant Award Year	$ 2,210,295	
17.	Total expended for State grants and scholarships made to undergraduates for the Award Year July 1, 1981 to June 30, 1982	$ 125,440	
18.	Total expended for institutionally administered grants and scholarships made to undergraduates for the Award Year JULY 1, 1977 to JUNE 30, 1978	$ 843,748	

Section F. Information on Eligible Aid Applicants for Award Year 1981–82

	Total Taxable & Non-taxable Income	DEPENDENT Undergraduate	DEPENDENT Graduate/Professional
19.	$ 0 – $ 2,999	582	4
20.	3,000 – 5,999	76	0
21.	6,000 – 8,999	128	0
22.	9,000 – 11,999	164	1
23.	12,000 – 14,999	178	2
24.	15,000 – 17,999	190	2
25.	18,000 – 20,999	177	3
26.	21,000 – 23,999	202	0
27.	24,000 – 26,999	173	2
28.	27,000 – 29,999	159	2
29.	30,000 – 32,999	136	0
30.	33,000 – 35,999	132	1
31.	36,000 – 38,999	75	0
32.	39,000 – 41,999	40	1
33.	42,000 – 44,999	21	0
34.	45,000 – OVER	41	1
35.	Total	2,474	19

	Total Taxable & Non-taxable Income	INDEPENDENT Undergraduate	INDEPENDENT Graduate/Professional
	$ 0 – $ 999	852	96
	1,000 – 1,999	169	20
	2,000 – 2,999	112	9
	3,000 – 3,999	98	12
	4,000 – 4,999	60	8
	5,000 – 5,999	43	3
	6,000 – 6,999	28	1
	7,000 – 7,999	21	1
	8,000 – 8,999	14	4
	9,000 – 9,999	11	0
	10,000 – 10,999	6	3
	11,000 – 11,999	9	0
	12,000 – 12,999	3	0
	13,000 – 13,999	2	0
	14,000 – 14,999	4	0
	15,000 – OVER	38	2
	Total	1,470	159

Section G. Information on Enrollment

(Institutions with TRADITIONAL CALENDAR)

Institutions that had Fall 1981 enrollment, fill in line 36.

		(a) Undergraduate	(b) Graduate/Professional
36.	Total number of students, Fall, 1981	10,211	679

Institutions that did not have Fall 1981 enrollment, fill in lines 37 and 38.

		(a) Undergraduate	(b) Graduate/Professional
37.	Estimated number of students, Fall, 1982	N/A	N/A
38.	Projected number of students, Fall, 1983	N/A	N/A

(Institutions with NON-TRADITIONAL CALENDAR)

		(a) Continuing Students	(b) New Starts
39.	July 1, 1981		
40.	August 1		
41.	September 1		
42.	October 1		
43.	November 1		
44.	December 1		
45.	January 1, 1982		
46.	February 1		
47.	March 1		
48.	April 1		
49.	May 1		
50.	June 1, 1982		
51.	Total		

...cation and Fiscal Operations Report (FISAP)

OMB No. 1840-0073

Name of institution: MONTANA STATE UNIVERSITY | Serial Number: 2425 | Entity Number: 1 81-6001649A1

Part III. National Direct Student Loan Program

UNAUDITED

SECTION A – FISCAL REPORT (CUMULATIVE) AS OF JUNE 30, 1982

Music Acct No	ITEM		No. of Borrowers	DEBIT BALANCES	CREDIT BALANCES
			a	c	d
1	CASH ON HAND AND IN DEPOSITORY			$ 133,475	
2	FUNDS RECEIVABLE FROM FEDERAL GOVERNMENT			$	
3	FUNDS RECEIVABLE FROM INSTITUTION			$	
4	FUNDS ADVANCED TO STUDENTS		11,442	$ 12,748,450	
5	LOAN PRINCIPAL COLLECTED		8,099		$ 5,630,070
5.1	DEFAULTED LOAN PRINCIPAL ASSIGNED TO AND ACCEPTED BY THE UNITED STATES		69		$ 58,207
6.1	TEACHING SERVICE - 100% RATE	$ 251,051	321		
6.2	TEACHING SERVICE - 15% RATE	$ 202,535	234		
6.3	MILITARY SERVICE - 12 1/2% RATE	$ 13,581	42		
6.4	LOAN PRINCIPAL CANCELLED ON LOANS MADE PRIOR TO JULY 1, 1972 (cumul)		453		$ 467,167
7.1	TEACHING SERVICE - 100% RATE	$ 44,687	121		
7.2	TEACHING SERVICE - 15% RATE	$ 16,103	38		
7.3	TEACHING SERVICE - 10% RATE	$ 3,483	10		
7.4	MILITARY SERVICE - 12 1/2% RATE	$ Ø	Ø		
7.5	LOAN PRINCIPAL CANCELLED ON LOANS MADE JULY 1, 1972 AND AFTER (cumul)		122		$ 64,273
8	LOAN PRINCIPAL CANCELLED - DEATH		32		$ 56,978
9	LOAN PRINCIPAL CANCELLED - DISABILITY		5		$ 5,205
10	LOAN PRINCIPAL CANCELLED - BANKRUPTCY		32		$ 49,536
11	LOAN PRINCIPAL ADJUSTMENTS - OTHER		Ø		$ Ø
12	FEDERAL CAPITAL CONTRIBUTIONS				$ 6,324,467
13	REPAYMENTS OF FUND CAPITAL TO FEDERAL GOVERNMENT			$ Ø	
14	INSTITUTIONAL CAPITAL CONTRIBUTIONS				$ 702,718
15	REPAYMENTS OF FUND CAPITAL TO INSTITUTION			$ Ø	
16	INTEREST INCOME ON LOANS				$ 658,017
17	OTHER INCOME				$
18	REIMBURSEMENTS TO THE FUND OF AMOUNTS CANCELLED ON LOANS MADE JULY 1, 1972, AND AFTER				$ 47,840
19.1	COSTS OF LITIGATION	$ 1,590			
19.2	ADMINISTRATIVE EXPENSES	$ 381,168			
19.3	OTHER COLLECTION COSTS	$ 15,742			
19.4	COSTS OF LITIGATION, ADMINISTRATIVE EXPENSES, AND OTHER COLLECTION COSTS (cumul)			$ 398,500	
20	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR TEACHING SERVICE ON LOANS MADE PRIOR TO JULY 1, 1972			$ 521,453	
21	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR MILITARY SERVICE ON LOANS MADE PRIOR TO JULY 1, 1972			$ 15,571	
22	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR TEACHING SERVICE ON LOANS MADE JULY 1, 1972, AND AFTER			$ 73,326	
23	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR MILITARY SERVICE ON LOANS MADE JULY 1, 1972, AND AFTER			$ Ø	
24	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF DEATH			$ 57,614	
25	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF DISABILITY			$ 5,278	
26	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF BANKRUPTCY			$ 52,604	
27	COST OF DEFAULTED LOAN PRINCIPAL AND INTEREST ASSIGNED TO AND ACCEPTED BY THE UNITED STATES			$ 58,207	
27.1	OTHER COSTS OR LOSSES (Specify)			$	
28	TOTAL DEBITS AND CREDITS (sum of lines 1 through 27.1)			$ 14,064,478	$ 14,064,478

...on and Fiscal Operations Report, Part III

Name of Institution MONTANA STATE UNIVERSITY Serial Number 2425 Entity Number 1- 81-6001649A1

Section B. Fund Activity (Annual) During the 1981-82 Award Year (July 1, 1981 through June 30, 1982)

	Amount
1. Final adjusted Federal Capital Contribution authorization	$ 297,164
2. Amount of authorized Federal Capital Contribution for Award Year 1981-82 not requested from DFAFS or EDPMTS by June 30, 1982	$ Ø
3. Loans advanced to students from the loan fund during the 1981-82 Award Year (minus 1981-82 Award Year refunds)	$ 1,028,073
4. Administrative cost allowance for the 1981-82 Award Year (see instructions)	$ 4,377

	Number of Borrowers (a)	Amount (b)
5. Total principal and interest repaid by borrowers from all sources during the 1981-82 Award Year	2890	$ 824,774

6. Calculating the Default Rate $\left(\frac{\text{Defaulted Principal Amount Outstanding}}{\text{Matured Loans}} \times 100 = \text{Default Rate}\right)$

$$\frac{\text{Part III, Section C, Line 7.7, Column e: } 311,784}{\text{Part III, Section A, Line 4, Column c minus the sum of Part III, Section C, Line 4.1, Column b and Line 4.2, Column b: } 9,690,500} \times 100 = 3.21\ \%$$

Name of Institution MONTANA STATE UNIVERSITY

UNAUDITED

Serial Number 2425 Entity Number 1.81-6001649A1

SECTION C—CUMULATIVE REPAYMENT INFORMATION AS OF JUNE 30, 1982

STATUS OF BORROWERS AS OF JUNE 30, 1982	NUMBER OF BORROWERS a	AMOUNT LENT b	PRINCIPAL AMOUNT REPAID OR CANCELLED c	LOAN PRINCIPAL ASSIGNED TO AND ACCEPTED BY THE U.S. d	PRINCIPAL AMOUNT OUTSTANDING e	PRINCIPAL AMOUNT PAST DUE AND IN DEFAULT f	PRINCIPAL AMOUNT IN DEFERRED STATUS g
1. Borrowers whose loans are fully retired	5789	4,498,363					
2. Borrowers whose defaulted loans were referred to and receipted by the U.S. on or before September 15, 1979	15	13,508	295		13,213		
3. Borrowers whose defaulted notes were assigned by March 31, 1982 and accepted by the U.S. as of September 30, 1982	69	67,737	9,530	58,207			
4.1 Student status at your institution or at another institution	2099	2,553,428			2,476,389		
4.2 First grace period	418	502,005			495,955		
4.3 Deferment and other grace periods	50				59,532		10,333
4.4 Total borrowers not in repayment status (sum of lines 4.1 through 4.3)	2567				3,031,876		
5. Borrowers on schedule in repayment status	2168				2,532,351		
6.1 Less than 120 days (monthly installments)	20	44,605	19,010		25,595	548	
6.2 Less than 180 days (other installments)	236	391,907	121,485		270,422	19,061	
6.3 Borrowers whose accounts are past due but not in default	236	356,472	122,218		234,254	104,730	
6.4 Total borrowers whose accounts are currently in default/ pastdue but not used in computing the default rate (sum of lines 6.1 through 6.3)	492	792,984	262,713		530,271	124,339	
7.1 Borrowers whose defaulted loans were referred to and receipted by the U.S. on and after September 16, 1979							
7.2 120 days or more up to 2 years (monthly installments)	2	2,300	837		1,463	136	
7.3 180 days or more up to 2 years (other installments)	90	98,947	12,133		86,814	34,468	
7.4 More than 2 years up to 4 years	105	125,490	18,541		106,950	67,171	
7.5 More than 4 years up to 9 years	114	126,083	29,397		96,686	80,735	
7.6 More than 9 years	31	26,871	6,999		19,872	19,872	
7.7 Total borrowers whose accounts are currently in default & used in computing the default rate (sum of lines 7.1 through 7.6)	342	379,691	67,907		311,785	202,382	
8. Total					6,419,496	326,721	10,333

ED Form 646-1, Approval date: 7/9/82

MONTANA STATE UNIVERSITY | Serial Number 2425 | Entity Number 1. 81-6001649A1

Section D. Collection Activities as of June 30, 1982

1. Do you use a billing agent?
☒ Yes, give name(s) and address(es)
☐ No

American National Educational Corporation
33 North LaSalle Street
Chicago, IL 60690

2. Do you use a collection agent?
☒ Yes, answer questions 3, 4, 5, 6
☐ No, go to question 7

3. Name(s) and address(es) of your collection agent(s):

Payco Collections
311 Joseph Vance Bldg.
Seattle, WA 98101

Aman Collection Service
P.O. Box 730
Aberdeen, S.D. 57401

Credit Systems
P.O. Box C
Bozeman, MT 59715

National Account Adjusters
24196 Alicia Pkwy.- Suite D
Mission Viejo, CA 92691

	Borrowers	Amounts
4. Delinquent accounts currently assigned to your collection agent(s)	443	$ 238,564
5. Amount collected by your collection agent(s) during the 1981-82 Award Year	426	$ 45,951
6. Collection agent(s) fee(s)		$ 16,018
7. Delinquent accounts currently in litigation	7	$ 4,950
8. Borrowers with whom you have lost contact	27	$ 24,829

cation and Fiscal Operations Report (FISAP)

of stitution MONTANA STATE UNIVERSITY Serial Number 2425 Entity Number 1. 81-6001649A1

Part IV. Supplemental Educational Opportunity Grants Program (SEOG)

Section A. Funds Authorized/Released for SEOG

		a Initial Year	b Continuing Year
1.	Final Adjusted SEOG Authorization	$ 299,997	$ 105,207

Section B. Funds Available for SEOG Expenditures

2.	CWS Transferred and Spent in SEOG	+ $ Ø	+ $ Ø
3.	SEOG Transferred and Spent in CWS	− $ Ø	− $ Ø
4.	Funds Available (IY = Lines 1 + 2 − 3) (CY = Lines 1 + 2 − 3)	$ 299,997	$ 105,207

Section C. Funds Spent for SEOG Program

5.	SEOG Disbursements to Students	$ 299,997	$ 104,348
6.	Administrative Cost Allowance Claimed	+ $ Ø	+ $ 859
7.	Funds Spent (Lines 5 + 6)	$ 299,997	$ 105,207

Section D. Use of SEOG Authorization

8.	Expended SEOG Authorization (Line 3 + Line 7 − Line 2)	$ 299,997	$ 105,207
9.	Unexpended SEOG Authorization (Line 1 − Line 8)	$ Ø	$ Ø

Section E. Miscellaneous Information

10.	Amount of SEOG Disbursements to Less Than Half-Time Students (IY and CY) (Cannot be more than 10% of your original plus supplemental authorizations)	$ Ø
11.	Prior Year Recoveries	$ 406

...plication and Fiscal Operations Report (FISAP)

Name of Institution MONTANA STATE UNIVERSITY | Serial Number 2425 | Entity Number 1-81-6001649A1

Part V. College Work-Study Program (CWS)

Section A. Funds Authorized/Released for CWS

1.	Final Adjusted CWS Authorization	$ 676,970

Section B. Funds Available for CWS Expenditures

2.	SEOG Funds Transferred and Spent in CWS	+ $ Ø
3.	CWS Funds Transferred and Spent in SEOG	− $ Ø
4.	1980-81 Funds Carried Back and Spent in 1981-82	+ $ Ø
5.	1980-81 Funds Carried Forward and Spent in 1981-82	+ $ Ø
6.	1981-82 Funds Carried Forward to be Spent in 1982-83	− $ 67,697
7.	1981-82 Funds Carried Back and Spent in 1980-81	− $ 67,579
8.	Total Funds Available for 1981-82 (Lines 1 + 2 − 3 + 4 + 5 − 6 − 7)	$ 541,694

Section C. Total Compensation for CWS

9.	Total Earned Compensation for Regular CWS Jobs	$ 532,331
10.	Total Earned Compensation for Community Service Learning Program Jobs	+ $ Ø
11.	Total Earned Compensation for Total CWS Program (Line 9 + Line 10)	$ 532,331
12.	Institutional Share of Earned Compensation (See Instructions)	$ 108,680

Section D. Funds Spent from Federal Share of CWS

13	Federal Share of CWS Disbursements to Students (Both Regular and Community Service Learning Program)	$ 423,651
14.	Administrative Cost Allowance Claimed for Regular CWS Program	+ $ 93,043
15.	Administrative Cost Allowance Claimed for CSLP (May Not Exceed 10% of Line 10)	+ $ Ø
16.	Federal Share of Job Location and Development Program Expenditures (May not exceed $25,000 or 10% of the sum of lines 4 + 5 plus your original and supplemental authorizations, whichever is less.)	+ $ 25,000
17.	Total Federal Funds Spent for CWS (Sum of Lines 13 through 16)	$ 541,694

Section E. Use of CWS Authorization

18.	Expended CWS Authorization (Lines 3 + 6 + 7 + 17) minus (Lines 2 + 4 + 5)	$ 676,970
19.	Unexpended CWS Authorization (Line 1 − Line 18)	$ Ø

Name of Institution MONTANA STATE UNIVERSITY Serial Number 2425 Entity Number 1.81-6001649A1

Section F. Miscellaneous Information

20.	Federal Share of Compensation Earned by Less-Than-Half Time Students	$ Ø
21.	Prior Year Recoveries	$ Ø

Section G. Information About the Job Location and Development Program

22.	Total Expenditures for the Job Location and Development Program	$ 31,378
23.	Institutional Share of JLD Program Expenditures (See Instructions)	– $ 6,378
24.	Federal Share of JLD Program Expenditures (Line 22 – Line 23; Line 24 Must Equal Section D, Line 16)	$ 25,000
25.	Number of Enrolled Students for Whom Jobs Were Located or Developed	373
26.	Total Earnings of the Students in Line 25 Above	$ 204,283

Section H. Maintenance of Effort for the Job Location and Development Program

If your institution operated a Federal JLD Program in 1981-82, fill in line 27 only.

27.	Institutional Expenditures for JLD Program in Award Year 1981-82	$ 6,378

If your institution is operating a Federal JLD Program for the first time in 1982-83, fill in lines 28 - 32 only.

28.	Institutional Expenditures for JLD Program in Award Year 1979-80	$ N/A
29.	Institutional Expenditures for JLD Program in Award Year 1980-81	$ N/A
30.	Institutional Expenditures for JLD Program in Award Year 1981-82	$ N/A
31.	Total (Sum of Lines 28, 29, and 30)	$ N/A
32.	Average Annual Expenditure	$ N/A

Application and Fiscal Operations Report (FISAP)

OMB No. 18

Name of Institution: MONTANA STATE UNIVERSITY | Serial Number: 3425 | Entity Number: 1-81-6001649A1

Part VI. Program Summary

Section A. Income Distribution of Program Recipients

STUDENTS	NDSL		SEOG FY		SEOG CY		CWS		SUMMARY	
	a Recipients	b Funds	c Recipients	d Funds	e Recipients	f Funds	g Recipients	h Amount Earned	i Unduplicated Number of Recipients	j Amount Spent
Undergraduate Dependents — 1. $0 – 5,999	100	60,659	38	16,238	3	1,100	45	24,115	123	102,112
2. $6,000 – 11,999	158	101,785	65	26,720	16	9,400	77	53,741	197	191,646
3. $12,000 – 17,999	188	117,757	98	44,373	16	8,550	93	53,046	241	223,726
4. $18,000 – 23,999	188	119,352	69	26,954	21	11,150	83	53,507	237	210,963
5. $24,000 – 29,999	157	98,828	43	17,867	5	2,567	78	49,964	191	169,226
6. $30,000 and OVER	166	103,931	37	15,035	2	900	67	35,275	197	155,141
7. Undergraduate Independent	643	384,711	317	168,381	90	55,110	337	231,328	833	839,530
8. Graduate	64	41,050	[illegible]	[illegible]	[illegible]	[illegible]	40	31,355	82	72,405
9. [illegible]	[illegible]	[illegible]	0	0	0	0	0	0	0	0
10. TOTAL	1,664	1,028,073	667	315,568	153	88,777	820	532,331	2,101	1,964,749

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ED Form 646-1, Approval date: 7/9/82

Section B. Calculating the Administrative Cost Allowance

STEP 1 Calculate the amount spent in 1981-82 on which the Administrative Cost Allowance is based:

1. Total compensation in CWS (amount from Part V, Section Section C, line 11)	$ 532,331		
2. CSLP employment expenditures (amount from Part V, Section C, line 10)	– $ Ø		
3. Eligible expenditures for Administrative Cost Allowance calculation (line 1 minus line 2) (must be the same as Part V, Section C, line 9)			$ 532,331
4. Amount of NDSL funds advanced to students (amount from Part III, Section B, line 3)		+	$ 1,029,073
5. SEOG funds disbursed to students (amount from Part IV Section C, line 5, columns a + b)		+	$ 405,204
6. TOTAL Amount Spent (lines 3 + 4 + 5)			$ 1,965,608

STEP 2 Calculate the Administrative Cost Allowance:

(Complete only ONE Subsection)

Institutions whose total amount spent was $2,750,000 OR LESS

7. Enter total amount spent (line 6)	$ 1,965,608	
8. Multiply	x .05	
9. TOTAL Administrative Cost Allowance	$ 98,280	

(GO TO STEP 3)

Institutions whose total amount spent was MORE THAN $2,750,000 but LESS THAN $5,500,000

10. Enter total amount spent (line 6)	$		
11. Subtract	– $ 2,750,000		
12. Expenditures over $2,750,000 (line 10 minus line 11)	$		
13. Multiply	x .04		
14. Administrative Cost Allowance on expenditures over $2,750,000 (line 12 x line 13)			$
15. Add Administrative Cost Allowance on expenditures of $2,750,000		+	$ [illegible]
16. TOTAL Administrative Cost Allowance (line 14 + line 15)			$ [illegible]

(GO TO STEP 3)

Institutions whose total amount spent was $5,500,000 OR MORE

17. Enter total amount spent (line 6)	$		
18. Subtract	– $ 5,500,000		
19. Expenditures over $5,500,000 (line 17 minus line 18)	$		
20. Multiply	x .01		
21. Administrative Cost Allowance on expenditures over $5,500,000 (line 19 x line 20)			$
22. Add Administrative Cost Allowance on expenditures of $5,500,000		+	$ [illegible]
23. TOTAL Administrative Cost Allowance (line 21 + line 22)			$

(GO TO STEP 3)

STEP 3 Decide how much Administrative Cost Allowance the Institution claimed:

24. How much Administrative Cost did the Institution claim? (The amount may be the same or less than the amount calculated in Step 2)		$ 98,280
25. How much Administrative Cost did the Institution claim in each program?		
a. NDSL (must usually be the same as Part III, Section B, line 4, column b; see Instructions for Part III, Section B)	$ 4,377	
b. SEOG IY (must be the same as Part IV, Section C, line 6, column a)	$ Ø	
c. SEOG CY (must be the same as Part IV, Section C, line 6, column b)	$ 859	
d. CWS (must be the same as Part V, Section D, line 14)	$ 93,043	

PELL GRANTS
1982-83 AWARD YEAR
PLEASE READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

OFFICE OF POSTSECONDARY EDUCATI
FORM APPROVED
OMB NO 1840-0055

SECTION I: GENERAL INFORMATION (Complete only if information below is incomplete or incorrect)

. INST. NO. 002532
ITY NO.: 181C01649A1
ution NAME and ADDRESS

☐ Check here when NAME and/or ADDRESS has been changed and indicate changes below

CNTANA STATE UNIVERSITY
OZLMAN MT 59717

of institution
1 ☐ Less than one year 2 ☐ One year but less than two years 3 ☐ Two years but less than three years
-YEARS 4 ☐ Three years but less than four years 5 ☐ Four years (baccalaureate degree only) 6 ☐ Five years or more

ial Control
1 ☐ Public 2 ☐ Private, nonprofit 3 ☐ Proprietary
UBLIC

83 Undergraduate Enrollment: A. Full-time: 5,088 B. Part-time (at least half-time): 617

Type
1 ☐ Credit Hour 2 ☐ Quarter 3 ☐ Semester
ARTER 4 ☐ Trimester 5 ☐ Clock Hour

h of Academic Year (from 7/1/82 to 6/30/83) on which costs below are based 09 MONTHS

		1982-83		1983-84 (Estimated)
ge Cost of Attendance: ull time Undergraduate Student)	A. Tuition and Fees (In-State)	$ 726	D. $	764
	B. Room (On-Campus)	$ 762	E. $	823
	C Board (On Campus)	$ 1364	F. $	1473

SECTION II: REPORT OF EXPENDITURES AND RECIPIENTS

t for (Check One Box Only)
] October 31 2 ☐ February 28 3 ☒ June 30
] AD HOC Change in ED Approved Authorization (Use between reporting periods) 5 ☐ Revised June 30 (Use only if June 30 report previously filed)

g Date of Period Covered by this report: 6 / 30 / 83

	(A) Amount (DOLLARS ONLY)	(B) Count
Expenditures and Recipients (to date for current award year)	12. $ 2,377,199	12 2581
Recoveries (to date for current award year only)	13. $ 10,652	13 44
xpenditures (to date for current award year only)	12 – 13 = 14 $ 2,366,547	
inal Amount for Present Recipients (for remainder of current award year)	15 $ 0	
ated Additional Expenditures and Recipients (for remainder of current award year)	16 $ 0	16.
Estimated Expenditures and Recipients (for ENTIRE award year: 7/1/82 - 6/30/83)	14 + 15 + 16 = 17. $ 2,366,547	12 + 16 = 17.
nt ED Approved Authorization as of: 03/24/83 200	18. $ 2,437,355	
ution's Requested Authorization Adjustment	17 – 18 = 19. $ -70,808	+ –
ime students Expenditures and Recipients (for ENTIRE award year)	20. $ 8,375	20. 28
ber of Student Aid Reports Previously Submitted		21. 2,439
ber of Student Aid Reports Submitted with this Report		22. 142
Number of Student Aid Reports Submitted		21 + 22 = 23. 2581
ber of enrolled students with eligible SARs But Not Yet Paid (Amount and Count should be included in Items 16A and 16B)		24. 0

sponsible for this PROGRESS REPORT (Report must be signed and mailed to P.O. Box 2468, WASHINGTON, D C 20013)

: JAMES R. CRAIG
Director of Financial Aid
e. 406-994-2845 Date Signed: 2-14-83
IATURE

CERTIFICATION - I certify that I have examined this Institutional Progress Report, including accompanying Student Aid Report data, and all information is true and complete to the best of knowledge. I understand that if I knowingly make false or misleading statements on this repo am subject to a fine of up to $10,000, imprisonment for up to 5 years, or both, under provisior the United States Criminal Code (including 18 U.S.C. 1001).

ED FORM 255-3, 8/82 (20 USC 1070a, 34CFR 69

INSTITUTION COPY

STUDENT NAME | SOC SEC # OR BEOG ID # | DATE OF BIRTH | TRANS NO

SECTION IV - INSTITUTIONAL PROGRESS REPORT
AWARD PERIOD 1981-82 ONLY

REPORT OF EXPENDITURES AND RECIPIENTS (SEE INSTRUCTIONS)

ID NO. (1-6)
2532
Y NO. (9-20)
D0164041

10. REPORT FOR: (27): 3 [ ] JUNE 30 5 [X] REVISED JUNE 30
11. DATE REPORT PREPARED (28-34) 02 / 10 / 83

ENTER DOLLARS ONLY-
DO NOT SHOW CENTS

		(A) AMOUNT	(B) NO. OF RECIPIENTS
S EXPENDITURES (ACTUAL PAYMENTS TO STUDENTS TO DATE)	12.	2,217,343.00	2754
RECOVERIES (TO DATE)	13.	6,644.00	42
EXPENDITURES	12A-12B=14A.	2,210,699.00	
TIONAL AMOUNT FOR PRESENT RECIPIENTS	15.		
MATED ADDITIONAL EXPENDITURES AND RECIPIENTS	16.		
L EXPENDITURES AND RECIPIENTS	14A+17A.	2,210,699.00	2754
R ENTIRE AWARD PERIOD: 7/1/81 - 6/30/82)	12B+17B.		
ENT ED APPROVED AUTHORIZATION PER ED RECORDS AS OF: 09/16/82	18.	2,210,295	
ITUTION'S REQUESTED AUTHORIZATION ADJUSTMENT	17A-19A=19.	404	
ER OF STUDENT ELIGIBILITY REPORTS PREVIOUSLY SUBMITTED AS OF: 07/14/82	21.	2717	2756
ER OF STUDENT ELIGIBILITY REPORTS SUBMITTED WITH THIS REPORT	22.	44	
L NUMBER OF STUDENT ELIGIBILITY REPORTS SUBMITTED	21+22=23.	2761	
		ED USE ONLY	

COMPLETING THIS REPORT (49)

: JAMES R. CRAIG

E: Director of Financial Aid

E: 406-994-2045

WARNING: ANY PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT OR MISREPRESENTATION ON THIS FORM MAY BE SUBJECT TO A FINE OF UP TO $10,000 OR TO IMPRISONMENT OF UP TO 5 YEARS OR TO BOTH UNDER PROVISIONS OF THE UNITED STATES CRIMINAL CODE. SUCH PROVISIONS MAY INCLUDE AMONG OTHERS 18 U.S.C. 1001. (20 USC 1070A, 34CFR 690.84)

ACTIVE NURSING (SETASIDE) - 3074
DATE: 06/30/83 OPS NO 6774-83-31-3074
INSTITUTION: MONTANA STATE UNIV ID#:08L300004-82 BHL83
SCHOOL: SCH OF NURSING, BACCALAUREATE B7360015011
PROGRAM: FCC ACTIVE NSA

ANNUAL OPERATING REPORT: JULY 1, 1982 - JUNE 30, 1983

FEDERAL CAPITAL CONTRIBUTION - ACTIVE - NURSING STUDENT LOAN PROGRAM (SETASIDE)

PROGRAM ACCOUNTS SECTION (Continued)
(See Instructions on Pages 14, 15, and 16)

F. LOAN CANCELLATIONS TO BORROWERS	Cumulative: Number of borrowers 1	Cumulative: Principal canceled 2	Cumulative: Interest canceled 3	Current Year: Number of borrowers 4	Current Year: Principal canceled 5	Current Year: Interest canceled 6
1. Professional Practice	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
a. HP Practice-Shortage (10%) (42)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
b. HP Practice-Rural Shortage (15%) (43)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
2. Nursing Employment	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
a. Nursing Employment (10%) (44)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
b. Nursing Employment (15%) (45)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
c. Nursing Employment (20%) (46)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
3. Death or Disability (47)	-0-	-0-	-0-	-0-	-0-	-0-
G. THIS SPACE RESERVED: (FOR AGENCY USE ONLY)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX

H. BAD DEBTS APPROVED FOR WRITE-OFF BY DHHS	Cumulative: Number of borrowers 1	Cumulative: Principal written off 2	Cumulative: Interest written off 3	Current Year: Number of borrowers 4	Current Year: Principal written off 5	Current Year: Interest written off 6
Total Approved (48)	-0-	-0-	-0-	-0-	-0-	-0-
I. BAD DEBTS CREDITED	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXX
1. Federal Share (49)	XXXXXXXX	-0-	-0-	XXXXXXXX	-0-	-0-
2. Institutional Share (50)	XXXXXXXX	-0-	-0-	XXXXXXXX	-0-	-0-

J. FROM WORK SHEET CALCULATIONS

1. Delinquency Rate - BORROWERS.....(51) -0-

2. Delinquency Rate - DOLLARS.....(52) -0-

FOR ACTIVE SCHOOLS:

3. Excess Cash as determined with Work Sheet #2 and returned to DFAFS...(53) $ 3521

4. Excess Cash as determined with Work Sheet #2 and returned to the Division of Fiscal Services, HRSA.....(54) $ 56

FOR CLOSING SCHOOLS:

5. Amount of cash determined to be due the Federal Government and remitted separately to the Division of Fiscal Services, HRSA.....(55) $XXXXXXX

****

Send Original of this Page and 2 Copies to SLDMTF/BHPr/HRSA, Rm 1-58, Park Bldg., 5600 Fishers Lane, Rockville MD 20857, or use pre-addressed envelope provided.

WORK SHEET #2: CALCULATION OF EXCESS CASH

TO DETERMINE ANY EXCESS CASH THE INSTITUTION HAS ON HAND AS OF JUNE 30, 1983, USE THE FOLLOWING:

A. GENERAL LEDGER CASH BALANCE AS OF JUNE 30, 1982... $ 556

ADD:

B. ACTUAL COLLECTIONS FOR THE PERIOD JULY 1, 1982 THROUGH JUNE 30, 1983:

1. PRINCIPAL..... $ -0-
2. INTEREST..... $ -0-
3. PENALTY CHARGES..... $ -0-
4. INVESTMENT INCOME..... $ -0-

C. CASH DRAWN DOWN DURING THIS CURRENT YEAR AGAINST THE NOTICE OF AWARD DATED MARCH 26, 1982..... $ -0-

D. INSTITUTIONAL CONTRIBUTIONS..... $ -0-

E. PROJECTED COLLECTIONS FOR THE PERIOD JULY 1, 1983 THROUGH JUNE 30, 1984:

1. PRINCIPAL..... $ -0-
2. INTEREST..... $ -0-
3. PENALTY CHARGES..... $ -0-
4. INVESTMENT INCOME..... $ -0-

F. CALCULATED FUNDS AVAILABLE (A + B + C + D + E)..... $ 556

SUBTRACT:

G. ACTUAL EXPENDITURES FOR THE PERIOD JULY 1, 1982 THROUGH JUNE 30, 1983:

1. LOANS TO STUDENTS..... $ 500
2. COLLECTION AGENCY COSTS..... $ -0-
3. LITIGATION COSTS..... $ -0-
4. CREDIT BUREAU FEES..... $ -0-
5. OTHER COSTS..... $ -0-

H. PROJECTED EXPENDITURES FOR THE PERIOD JULY 1, 1983 THROUGH JUNE 30, 1984:

1. LOANS TO STUDENTS..... $ -0-
2. COLLECTION AGENCY COSTS..... $ -0-
3. LITIGATION COSTS..... $ -0-
4. CREDIT BUREAU FEES..... $ -0-
5. OTHER COSTS..... $ -0-

I. CALCULATED EXPENDITURES (G + H)..... $(500)

J. CALCULATED ESTIMATE OF BALANCE OF CASH (F minus I)..... $ 56

ATTENTION - Read CAVEATS on Page 26.

C ACTIVE NURSING - 3024
DATE: 06/30/83 OPS NO 6774-83-11-3024
INSTITUTION: MONTANA STATE UNIV
SCHOOL: SCH OF NURSING, BACCALAUREATE
PROGRAM: FCC ACTIVE NURSING

ID#:08L300004-82 BHL83
B7360015011

ANNUAL OPERATING REPORT: JULY 1, 1982 - JUNE 30, 1983

FEDERAL CAPITAL CONTRIBUTION - ACTIVE - NURSING STUDENT LOAN PROGRAM

PROGRAM ACCOUNTS SECTION
(See Instructions on Pages 6 through 13)

PROGRAM ACCOUNTS		Cumulative 1	Current Year 2
A. FEDERAL FUNDS AWARDED	(16)	1,026,582	-0-
B. CASH BALANCE - START OF PERIOD COVERED BY THIS REPORT	(17)	XXXXXXXXXXXXX XXXXXXXXXXXXX	53,083
C. CASH RECEIPTS			
1. Federal Funds Received/Receivable	(18)	1,026,582	-0-
2. Institutional Contributions Deposited	(19)	116,800	1,741
3. Transferred From Scholarship Fund (FCC only)	(20)	33,923	XXXXXXXXXXX XXXXXXXXXXX
4. Loan Principal Collected	(21)	636,764	90,609
5. Interest Income Collected on Loans	(22)	72,691	9,816
6. Penalty Charges Collected on Loans	(23)	-0-	-0-
7. Investment Income	(24)	-0-	-0-
8. Institutional Repayments of Bad Debts, Principal	(25)	-0-	-0-
9. Institutional Repayments of Bad Debts, Interest	(26)	-0-	-0-
D. CASH DISBURSEMENTS			
1. Loaned to Students	(27)	1,837,530	146,980
2. Transferred to Scholarship Fund (FCC only)	(28)	40,401	-0-
3. Repayments to Federal Government, Principal	(29)	-0-	-0-
4. Repayments to Federal Government, Interest	(30)	-0-	-0-
5. Repayments to Federal Government, Other Income	(31)	-0-	-0-
6. Repayments to Institution, Principal	(32)	-0-	-0-
7. Repayments to Institution, Interest	(33)	-0-	-0-
8. Repayments to Institution, Other Income	(34)	-0-	-0-
9. Collection Agency Costs, Principal	(35)	1,642	1,082
10. Collection Agency Costs, Interest	(36)	-0-	-0-
11. Litigation Costs, Principal	(37)	-0-	-0-
12. Litigation Costs, Interest	(38)	-0-	-0-
13. Credit Bureau Fees	(39)	-0-	-0-
14. Other Costs	(40)	-0-	-0-
E. CASH BALANCE END OF PERIOD COVERED BY THIS REPORT	(41)	XXXXXXXXXXXXX XXXXXXXXXXXXX	7,187

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SA-501 Form Approved OMB No. 091

C ACTIVE NURSING - 3024
DATE: 06/30/83 OPS NO 6774-83-11-3024
INSTITUTION: MONTANA STATE UNIV
SCHOOL: SCH OF NURSING, BACCALAUREATE
PROGRAM: FCC ACTIVE NURSING

ANNUAL OPERATING REPORT: JULY 1, 1982 - JUNE 30, 1983

FEDERAL CAPITAL CONTRIBUTION - ACTIVE - NURSING STUDENT LOAN PROGRAM

PROGRAM ACCOUNTS SECTION (Continued)
(See Instructions on Pages 14, 15, and 16)

F. LOAN CANCELLATIONS TO BORROWERS	Cumulative: Number of borrowers 1	Cumulative: Principal canceled 2	Cumulative: Interest canceled 3	Current Year: Number of borrowers 4	Current Year: Principal canceled 5	Current Year: Interest canceled 6
1. Professional Practice	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXX
a. HP Practice-Shortage (10%) (42)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXX
b. HP Practice-Rural Shortage (15%) (43)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXX
2. Nursing Employment	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXX
a. Nursing Employment (10%) (44)	150	72,515	17,152	8	773	149
b. Nursing Employment (15%) (45)	242	224,867	36,204	131	27,422	3,794
c. Nursing Employment (20%) (46)	96	78,447	5,052	49	18,751	1,083
3. Death or Disability (47)	2	4,809	338	1	1,952	-0-
G. THIS SPACE RESERVED: (FOR AGENCY USE ONLY)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

ACTIVE NURSING - 3024
DATE: 06/30/83 OPS NO 6774-84-11-3024
INSTITUTION: MONTANA STATE UNIV ID#:08L300006-82 BHL84
SCHOOL: SCH OF NURSING, GRADUATE G5360015011
PROGRAM: FCC ACTIVE NURSING

ANNUAL OPERATING REPORT: JULY 1, 1982 - JUNE 30, 1983

FEDERAL CAPITAL CONTRIBUTION - ACTIVE - NURSING STUDENT LOAN PROGRAM

PROGRAM ACCOUNTS SECTION
(See Instructions on Pages 6 through 13)

PROGRAM ACCOUNTS		Cumulative 1	Current Year 2
FEDERAL FUNDS AWARDED	(16)	8,498	-0-
CASH BALANCE - START OF PERIOD COVERED BY THIS REPORT	(17)	XXXXXXXXXXXXXX XXXXXXXXXXXXXX	3,627
CASH RECEIPTS			
1. Federal Funds Received/Receivable	(18)	8,498	-0-
2. Institutional Contributions Deposited	(19)	944	-0-
3. Transferred From Scholarship Fund (FCC only)	(20)	-0-	XXXXXXXXXXXXXX XXXXXXXXXXXXXX
4. Loan Principal Collected	(21)	4,023	610
5. Interest Income Collected on Loans	(22)	359	103
6. Penalty Charges Collected on Loans	(23)	-0-	-0-
7. Investment Income	(24)	-0-	-0-
8. Institutional Repayments of Bad Debts, Principal	(25)	-0-	-0-
9. Institutional Repayments of Bad Debts, Interest	(26)	-0-	-0-
CASH DISBURSEMENTS			
1. Loaned to Students	(27)	11,584	2,100
2. Transferred to Scholarship Fund (FCC only)	(28)	-0-	-0-
3. Repayments to Federal Government, Principal	(29)	-0-	-0-
4. Repayments to Federal Government, Interest	(30)	-0-	-0-
5. Repayments to Federal Government, Other Income	(31)	-0-	-0-
6. Repayments to Institution, Principal	(32)	-0-	-0-
7. Repayments to Institution, Interest	(33)	-0-	-0-
8. Repayments to Institution, Other Income	(34)	-0-	-0-
9. Collection Agency Costs, Principal	(35)	-0-	-0-
10. Collection Agency Costs, Interest	(36)	-0-	-0-
11. Litigation Costs, Principal	(37)	-0-	-0-
12. Litigation Costs, Interest	(38)	-0-	-0-
13. Credit Bureau Fees	(39)	-0-	-0-
14. Other Costs	(40)	-0-	-0-
CASH BALANCE END OF PERIOD COVERED BY THIS REPORT	(41)	XXXXXXXXXXXXXX XXXXXXXXXXXXXX	2,240

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01

Form Approved OMB No. 0915-00

C ACTIVE NURSING - 3024
DATE: 06/30/83 OPS NO 6774-84-11-3024
INSTITUTION: MONTANA STATE UNIV
SCHOOL: SCH OF NURSING, GRADUATE
PROGRAM: FCC ACTIVE NURSING

ID#:08L300006-82 BHL84
G5360015011

ANNUAL OPERATING REPORT: JULY 1, 1982 - JUNE 30, 1983

FEDERAL CAPITAL CONTRIBUTION - ACTIVE - NURSING STUDENT LOAN PROGRAM

PROGRAM ACCOUNTS SECTION (Continued)
(See Instructions on Pages 14, 15, and 16)

F. LOAN CANCELLATIONS TO BORROWERS	Cumulative: Number of borrowers 1	Cumulative: Principal canceled 2	Cumulative: Interest canceled 3	Current Year: Number of borrowers 4	Current Year: Principal canceled 5	Current Year: Interest canceled 6
1. Professional Practice	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
a. HP Practice-Shortage (10%) (42)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
b. HP Practice-Rural Shortage (15%) (43)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
2. Nursing Employment	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
a. Nursing Employment (10%) (44)	-0-	-0-	-0-	-0-	-0-	-0-
b. Nursing Employment (15%) (45)	2	563	96	-0-	-0-	-0-
c. Nursing Employment (20%) (46)	2	500	34	-0-	-0-	-0-
3. Death or Disability (47)	-0-	-0-	-0-	-0-	-0-	-0-
G. THIS SPACE RESERVED: (FOR AGENCY USE ONLY)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX

H. BAD DEBTS APPROVED FOR WRITE-OFF BY DHHS	Cumulative: Number of borrowers 1	Cumulative: Principal written off 2	Cumulative: Interest written off 3	Current Year: Number of borrowers 4	Current Year: Principal written off 5	Current Year: Interest written off 6
Total Approved (48)	-0-	-0-	-0-	-0-	-0-	-0-
I. BAD DEBTS CREDITED	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
1. Federal Share (49)	XXXXXXXX XXXXXXXX	-0-	-0-	XXXXXXXX XXXXXXXX	-0-	-0-
2. Institutional Share (50)	XXXXXXXX XXXXXXXX	-0-	-0-	XXXXXXXX XXXXXXXX	-0-	-0-

J. FROM WORK SHEET CALCULATIONS

1. Delinquency Rate - BORROWERS.....(51) 33.3 %

2. Delinquency Rate - DOLLARS.....(52) .5 %

FOR ACTIVE SCHOOLS:

3. Excess Cash as determined with Work Sheet #2 and returned to DFAFS...(53) $ 0

4. Excess Cash as determined with Work Sheet #2 and returned to the Division of Fiscal Services, HRSA.....(54) $ -0-

FOR CLOSING SCHOOLS:

5. Amount of cash determined to be due the Federal Government and remitted separately to the Division of Fiscal Services, HRSA.....(55) $XXXXXXXXXX

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5A-501

Form Approved OMB No. 0915-00

SCHOOL: SCH OF NURSING, BACCALAUREATE
PROGRAM: FCL CLOSING NURSING

OMB83
D/360015011

ANNUAL OPERATING REPORT: JULY 1, 1982 - JUNE 30, 1983

FEDERAL CAPITAL LOAN - CLOSING - NURSING STUDENT LOAN PROGRAM

PROGRAM ACCOUNTS SECTION
(See Instructions on Pages 6 through 13)

PROGRAM ACCOUNTS		Cumulative 1	Current Year 2
A. FEDERAL FUNDS AWARDED	(16)	58,565	
B. CASH BALANCE - START OF PERIOD COVERED BY THIS REPORT	(17)		1,757
C. CASH RECEIPTS			
1. Federal Funds Received	(18)	58,565	
2. Institutional Contributions Deposited	(19)		
3. Transferred From Scholarship Fund (ICC only)	(20)		
4. Loan Principal Collected	(21)	39,517	1,712
5. Interest Income Collected on Loans	(22)	6,027	96
6. Penalty Charges Collected on Loans	(23)	-0-	-0-
7. Investment Income	(24)	-0-	-0-
8. Institutional Repayments of Bad Debts, Principal	(25)	-0-	-0-
9. Institutional Repayments of Bad Debts, Interest	(26)	-0-	-0-
D. CASH DISBURSEMENTS			
1. Loaned to Students	(27)	58,565	
2. Transferred to Scholarship Fund (ICC only)	(28)		
3. Repayments to Federal Government, Principal	(29)	39,131	3,495
4. Repayments to Federal Government, Interest	(30)	6,014	96
5. Repayments to Federal Government, Other Income	(31)	9,562	-0-
6. Repayments to Institutions, Principal	(32)		
7. Repayments to Institutions, Interest	(33)		
8. Repayments to Institutions, Other Income	(34)		
9. Collection Agency Costs, Principal	(35)	412	-0-
10. Collection Agency Costs, Interest	(36)	13	-0-
11. Litigation Costs, Principal	(37)	-0-	-0-
12. Litigation Costs, Interest	(38)	-0-	-0-
13. Credit Bureau Fees	(39)	-0-	-0-
14. Other Costs	(40)	-0-	-0-
E. CASH BALANCE END OF PERIOD COVERED BY THIS REPORT	(41)		(26)

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A-501

Form Approved OMB No. 091

NURSING - 3064
DATE: 06/30/83
INSTITUTION: MONTANA STATE UNIV
SCHOOL: SCH OF NURSING, BACCALAUREATE
PROGRAM: FCL CLOSING NURSING

OPS NO 6774-83-22-3064

ID#:08L300004-82 BHL83
B7360015011

ANNUAL OPERATING REPORT: JULY 1, 1982 - JUNE 30, 1983

FEDERAL CAPITAL LOAN - CLOSING - NURSING STUDENT LOAN PROGRAM

PROGRAM ACCOUNTS SECTION (Continued)
(See Instructions on Pages 14 through 17)

	Cumulative			Current Year		
I. LOAN CANCELLATIONS TO BORROWERS	Number of borrowers 1	Principal canceled 2	Interest canceled 3	Number of borrowers 4	Principal canceled 5	Interest canceled 6
1. Professional Practice	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
a. HP Practice-Shortage (10%) (42)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
b. HP Practice-Rural Shortage (15%) (43)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
2. Nursing Employment	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
a. Nursing Employment (10%) (44)	12	12,953	3,538	-0-	-0-	-0-
b. Nursing Employment (15%) (45)	8	2,407	392	-0-	0	-0-
c. Nursing Employment (20%) (46)	-0-	-0-	-0-	-0-	-0-	-0-
3. Death or Disability (47)	-0-	-0-	-0-	-0-	-0-	-0-
G. THIS SPACE RESERVED: (FOR AGENCY USE ONLY)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX

	Cumulative			Current Year		
H. BAD DEBTS APPROVED FOR WRITE-OFF BY DHHS	Number of borrowers 1	Principal written off 2	Interest written off 3	Number of borrowers 4	Principal written off 5	Interest written off 6
Total Approved (48)	-0-	-0-	-0-	-0-	-0-	-0-
I. BAD DEBTS CREDITED	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX
1. Federal Share (49)	XXXXXXXX	0	0	XXXXXXXX	0	0
2. Institutional Share (50)	XXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXXX

J. FROM WORK SHEET CALCULATIONS

1. Delinquency Rate - BORROWERS.....(51) 31.3 %

2. Delinquency Rate - DOLLARS.....(52) 27.2 %

FOR ACTIVE SCHOOLS:

3. Excess Cash as determined with Work Sheet #2 and returned to DFAFS...(53) $XXXXXXXXX

4. Excess Cash as determined with Work Sheet #2 and returned to the Division of Fiscal Services, HRSA.....(54) $XXXXXXXXX

FOR CLOSING SCHOOLS:

5. Amount of cash determined to be due the Federal Government and remitted separately to the Division of Fiscal Services, HRSA.....(55) $ 339.51

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HRSA-501

Form Approved OMB No. 0915-0044

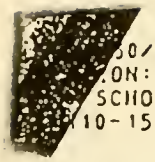
DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH SERVICE
HEALTH SERVICES ADMINISTRATION
BUREAU OF HEALTH PERSONNEL DEVELOPMENT AND SERVICE

06/30/82
ITUTION: MONTANA STATE UNIVERSITY ID#:08L300004-82 DHL8
OL: SCHOOL OF NURSING BACCALAUREATTE PROGRAM B73600150
83110-15 TYPE: F C C ACTIVE REPORTING PERIOD: JULY, 1981 - JUNE, 19

FEDERAL CAPITAL CONTRIBUTION - NURSING STUDENT LOAN PROGRAM

ROGRAM ACCOUNTS - LOAN	Cumulative	Current Year
FEDERAL FUNDS AWARDED	1,026,582	22,942
CASH BALANCE - START OF PERIOD COVERED BY THIS REPORT	XXXXXXXXXXXXX	57,230
CASH RECEIPTS		
1. Federal Funds Received/Receivable	1,026,582	22,942
2. Institutional Contributions Deposited	115,059	1,837
3. Transferred From Scholarship Fund (FCC only)	33,923	XXXXXXXXXXXXX
4. Loan Principal Collected	546,155	87,849
5. Interest Income Collected on Loans	62,875	9,409
6. Other Income	Ø	Ø
7. Institutional Repayments of Bad Debts, Principal	Ø	Ø
8. Institutional Repayments of Bad Debts, Interest	Ø	Ø
CASH DISBURSEMENTS		
1. Loaned to Students	1,690,550	125,624
2. Transferred to Scholarship Fund (FCC only)	40,401	Ø
3. Repayments to Federal Government, Principal	Ø	Ø
4. Repayments to Federal Government, Interest	Ø	Ø
5. Repayments to Federal Government, Other Income	Ø	Ø
6. Repayments to Institution, Principal	Ø	Ø
7. Repayments to Institution, Interest	Ø	Ø
8. Repayments to Institution, Other Income	Ø	Ø
9. Collection Agency Costs	Ø	Ø
10. Costs of Litigation	Ø	Ø
11. Other Costs	550	550
CASH BALANCE END OF PERIOD COVERED BY THIS REPORT	XXXXXXXXXXXXX	53,083

DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH SERVICE
HEALTH SERVICES ADMINISTRATION
BUREAU OF HEALTH PERSONNEL DEVELOPMENT AND SERVICE



30/82
ION: MONTANA STATE UNIVERSITY
SCHOOL OF NURSING
10-15 TYPE: F C C

GRADUATE PROGRAM
ACTIVE

IDN:08L300006-82 BHL
G5360015
REPORTING PERIOD: JULY, 1981 - JUNE, 1

FEDERAL CAPITAL CONTRIBUTION - NURSING STUDENT LOAN PROGRAM

PROGRAM ACCOUNTS - LOAN	Cumulative	Current Year
A. FEDERAL FUNDS AWARDED	8,498	Ø
B. CASH BALANCE - START OF PERIOD COVERED BY THIS REPORT	XXXXXXXXXXXXX	4,737
C. CASH RECEIPTS		
1. Federal Funds Received/Receivable	8,498	Ø
2. Institutional Contributions Deposited	944	Ø
3. Transferred From Scholarship Fund (FCC only)	Ø	XXXXXXXXXXXXX
4. Loan Principal Collected	3,413	378
5. Interest Income Collected on Loans	256	12
6. Other Income	Ø	Ø
7. Institutional Repayments of Bad Debts, Principal	Ø	Ø
8. Institutional Repayments of Bad Debts, Interest	Ø	Ø
D. CASH DISBURSEMENTS		
1. Loaned to Students	9,484	1,500
2. Transferred to Scholarship Fund (FCC only)	Ø	Ø
3. Repayments to Federal Government, Principal	Ø	Ø
4. Repayments to Federal Government, Interest	Ø	Ø
5. Repayments to Federal Government, Other Income	Ø	Ø
6. Repayments to Institution, Principal	Ø	Ø
7. Repayments to Institution, Interest	Ø	Ø
8. Repayments to Institution, Other Income	Ø	Ø
9. Collection Agency Costs	Ø	Ø
10. Costs of Litigation	Ø	Ø
11. Other Costs	Ø	Ø
E. CASH BALANCE END OF PERIOD COVERED BY THIS REPORT	XXXXXXXXXXXXX	3,627

DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH SERVICE
HEALTH SERVICES ADMINISTRATION
BUREAU OF HEALTH PERSONNEL DEVELOPMENT AND SERVICE

07/30/82
ITUTION: MONTANA STATE UNIVERSITY
OOL: SCHOOL OF NURSING
483220-37 TYPE: F C L

BACCALAUREATTE PROGRAM
CLOSING

ID#:08L300004-82 BHL8
B73600150
REPORTING PERIOD: JULY,1981 - JUNE, 19

FEDERAL CAPITAL LOAN - NURSING STUDENT LOAN PROGRAM

PROGRAM ACCOUNTS - LOAN	Cumulative	Current Year
CASH BALANCE - START OF PERIOD COVERED BY THIS REPORT	XXXXXXXXXXXXX	1,999
CASH RECEIPTS		
1. Federal Funds Received/Receivable	58,565	XXXXXXXXXXXXX
2. Loan Principal Collected	37,805	2,271
3. Interest Income Collected on Loans	5,931	229
4. Other Income	9,562	0
5. Institutional Repayments of Bad Debts, Principal	0	0
6. Institutional Repayments of Bad Debts, Interest	0	0
CASH DISBURSEMENTS		
1. Loaned to Students	58,565	XXXXXXXXXXXXX
2. Repayments to Federal Government, Principal	45,414	2,118
3 Repayments to Federal Government, Interest	5,702	199
4. Repayments to Federal Government, Other Income	0	0
5. Collection Agency Costs	0	0
6. Costs of Litigation	0	0
7. Other Costs	425	425
CASH BALANCE END OF PERIOD COVERED BY THIS REPORT	XXXXXXXXXXXXX	1,757

LOAN CANCELLATIONS	Cumulative			Current Year		
	Number of Borrowers	Principal canceled	Interest canceled	Number of Borrowers	Principal canceled	Interest canceled
1. Employment						
a. Nursing Employment (10%)	53	12,952	3,549	5	300	18
b. Nursing Employment (15%)	8	2,407	381	0	0	0
c. Nursing Employment (20%)	0	0	0	0	0	0
2. Death or Disability	0	0	0	0	0	0
PRIOR YEARS CANCELLATIONS CREDITED TO INSTITUTION	XXXXXXXX	NA	XXXXXXXXX	XXXXXXXX	XXXXXXXXX	XXXXXXXX

DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH SERVICE
HEALTH SERVICES ADMINISTRATION
BUREAU OF HEALTH PERSONNEL DEVELOPMENT AND SERVICE

06/30/82
TUTION: MONTANA STATE UNIVERSITY IDN:08L300004-8
OL: SCHOOL OF NURSING BACCALAUREATTE PROGRAM
683410-55 TYPE: F C C SCHOLARSHIP ACTIVE REPORTING PERIOD: JULY, 1981 - JU

NURSING SCHOLARSHIP PROGRAM

PROGRAM ACCOUNTS - SCHOLARSHIP	Funds Available	Cash
A. FUND AVAILABILITY		
1. Authorization Brought Forward From Prior Year	$ 631.00	
2. Authorized Transfer From FCC Loan Fund During Current Year	$ Ø	
B. CASH BALANCE START OF PERIOD COVERED BY THIS REPORT		$ 631.00
C. CASH RECEIPTS		
1. Funds Received Against Authorization in A.1		$ 631.00
2. Transferred From FCC Loan Funds (see A.2)		$ Ø
D. CASH DISBURSEMENTS		
1. Scholarships to Students		$ 631.00
E. CASH BALANCE END OF PERIOD COVERED BY THIS REPORT		$ Ø

DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH SERVICE
HEALTH SERVICES ADMINISTRATION
BUREAU OF HEALTH PERSONNEL DEVELOPMENT AND SERVICE

6/30/82
UTION: MONTANA STATE UNIVERSITY ID#:08L300004-82 BHL8
L: SCHOOL OF NURSING BACCALAUREATTE PROGRAM B73600150
3310-45 TYPE: F C C NURSING SET-ASIDE ACTIVE REPORTING PERIOD: JULY,1981 - JUNE, 19

FEDERAL CAPITAL CONTRIBUTION SET-ASIDE - NURSING STUDENT LOAN PROGRAM

OGRAM ACCOUNTS - LOAN	Cumulative	Current Year
FEDERAL FUNDS AWARDED	4,160	4,160
CASH BALANCE - START OF PERIOD COVERED BY THIS REPORT	XXXXXXXXXXXXX	Ø
CASH RECEIPTS		
1. Federal Funds Received/Receivable	4,160	4,160
2. Institutional Contributions Deposited	463	463
3. Loan Principal Collected	Ø	Ø
4. Interest Income Collected on Loans	Ø	Ø
5. Other Income	Ø	Ø
6. Institutional Repayments of Bad Debts, Principal	Ø	Ø
7. Institutional Repayments of Bad Debts, Interest	Ø	Ø
CASH DISBURSEMENTS		
1. Loaned to Students	500	500
2. Repayments to Federal Government, Principal	Ø	Ø
3. Repayments to Federal Government, Interest	Ø	Ø
4. Repayments to Federal Government, Other Income	Ø	Ø
5. Repayments to Institution, Principal	Ø	Ø
6. Repayments to Institution, Interest	Ø	Ø
7. Repayments to Institution, Other Income	Ø	Ø
8. Collection Agency Costs	Ø	Ø
9. Costs of Litigation	Ø	Ø
10. Other Costs	Ø	Ø
CASH BALANCE END OF PERIOD COVERED BY THIS REPORT	XXXXXXXXXXXXX	4,123

MONTANA AGRICULTURAL EXPERIMENT STATION

AUDITOR'S REPORT AND AGENCY'S FINANCIAL STATEMENTS

STATE OF MONTANA

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122

ROBERT R. RINGWOOD
LEGISLATIVE AUDITOR

DEPUTY LEGISLATIVE AUDITORS:
JAMES H. GILLETT
FINANCIAL/COMPLIANCE AUDITS
SCOTT A. SEACAT
PERFORMANCE AUDITS

STAFF LEGAL COUNSEL
JOHN W. NORTHEY

The Legislative Audit Committee
of the Montana State Legislature:

We have examined the accompanying Balance Sheet of the Agricultural Experiment Station (AES) at June 30, 1982 and June 30, 1983, and the related Statements of Changes in Fund Balances and Current Funds Revenues, Expenditures, and Other Changes for the two fiscal years ended June 30, 1983. Our examination was made in accordance with generally accepted governmental auditing standards, and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The financial statements for fiscal year ended June 30, 1982 and June 30, 1983 do not reflect the liability for compensated absences as required by generally accepted accounting principles. At fiscal year end June 30, 1982, the liability for MSU, AES and CES combined was $4,770,347. At fiscal year-end June 30, 1983, the liability for AES was $965,468.

The retirement plan footnote does not provide adequate disclosure. The retirement footnote disclosure should include information stating whether the retirement systems are actuarially sound.

In our opinion, except for the effect of the items discussed in paragraphs two and three, the financial statements present fairly the financial position of the Agricultural Experiment Station at June 30, 1982 and June 30, 1983, the changes in fund balances, and the current funds revenue, expenditures, and other changes for each of the two years ended June 30, 1983 in conformity with

generally accepted accounting principles which have been applied on a consistent basis.

Respectfully submitted,

James H. Gillett, CPA
Deputy Legislative Auditor

January 27, 1984

Approved by:

Robert R. Ringwood
Legislative Auditor

AGRICULTURAL EXPERIMENT STATION
BALANCE SHEETS
Year Ended June 30, 1983

ASSETS

ed:		
perating:		
s receivable		$ 664,642
m other fund groups		23,017
ents (Note 2)		146,314
		680,407
general operating		1,514,380
d:		
s receivable		80,552
m other fund groups		339
		2,214
designated		83,105
Total unrestricted		1,597,485
receivable		41,713
s (Note 2)		375,345
		67,028
Total restricted		484,086
Total current funds		$ 2,081,571
ceivable		$ 39,820
s (Note 2)		7,463
on advances to state		46,303
unexpended		2,895
		96,481
replacements:		
ther fund groups		12,570
s (Note 2)		941
renewals and replacements		66,638
		80,149
plant:		
nd improvements		1,346,432
		3,545,961
		3,855,629
		2,546,215
nvestment in plant		11,294,237
Total plant funds		$11,470,867

See notes to financial statements

LIABILITIES AND FUND BALANCES

CURRENT FUNDS:		
Unrestricted:		
General operating:		
Accrued payroll		$ 494,429
Accounts payable and accrued liabilities		276,225
Due to other fund groups		3,213
Fund balance:		
Allocated for encumbrances	$100,358	
Unallocated	640,155	
Total general operating		740,513
		1,514,380
Designated:		
Accrued payroll		
Accounts payable and accrued liabilities		4,349
Due to other fund groups		4,982
Fund balance (Note 1)		135,000
Total designated		(61,226)
		83,105
Total unrestricted		1,597,485
Restricted:		
Accrued payroll		
Accounts payable and accrued liabilities		3,442
Due to other fund groups		435,360
Fund balance		1,598
Total restricted		43,686
		484,086
Total current funds		$ 2,081,571
PLANT FUNDS:		
Unexpended:		
Accounts payable and accrued liabilities		$ 7,585
Fund balances		88,896
Total unexpended		96,481
Renewals and replacements:		
Due to other fund groups		
Fund balance		9,716
		70,433
Total renewals and replacements		80,149
Investment in plant:		
Net investment in plant		11,294,237
Total investment in plant		11,294,237
Total plant funds		$11,470,867

AGRICULTURAL EXPERIMENT STATION
STATEMENT OF CHANGES IN FUND BALANCES
Year Ended June 30, 1983

	Current Funds			Plant Funds		
	Unrestricted					
	General Operating	Designated	Restricted	Unexpended	Renewals and Replacements	Investment in Plant
d other additions:						
funds revenue	$8,710,748	$ 167,746	$2,077,783	$ -	$ -	$ -
neous income	-	-	-	108,252	12,154	-
for plant facilities						
ding $390,685 charged to						
nt funds)						
ivestock and other	-	-	-	-	-	498,569
. in plant (Note 1)	-	-	-	-	-	380,965
l revenue and other						
ditions	8,710,748	167,746	2,077,783	108,252	12,154	879,534
es and other deductions:						
funds expenditures	9,005,216	262,624	2,012,060			
for plant facilities				-	-	-
ding $29,907 non-capital						
ditures)	-	-	-			
l expenditures and other				123,303	14,488	-
ductions	9,005,216	262,624	2,012,060	123,303	14,488	-
among funds-additions						
ons):						
y:	(84,941)	-	-	84,000	941	-
transfers	(84,941)	-	-	84,000	941	-
se (decrease) in fund balance	(379,409)	(94,878)	65,723	68,949	(1,393)	879,534
ce at beginning of year as						
ly reported	1,121,450	33,738	26,514	40,797	71,826	10,329,804
adjustments:						
	(3,502)	-	2,302	-	-	-
ures	1,974	(86)	(50,853)	(20,850)	-	163,636
subsidiaries (Note 1)	-	-	-	-	-	(78,737)
l prior year adjustments	(1,528)	(86)	(48,551)	(20,850)	-	84,899
ces at beginning of year as						
	1,119,922	33,652	(22,037)	19,947	71,826	10,414,703
ces at end of year	$ 740,513	$ (61,226)	$ 43,686	$ 88,896	$ 70,433	$ 11,294,237

See notes to financial statements

MONTANA AGRICULTURAL EXPERIMENT STATION
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
Year Ended June 30, 1983

	Unrestricted			
	General Operating	Designated	Restricted	Total
Revenues:				
Federal appropriations	$1,680,543	$ -	$ -	$ 1,680,543
State appropriations	5,587,247	-	65,952	5,653,199
Fed. grants and contracts	-	-	905,030	905,030
State grants and contracts	-	-	171,268	171,268
Private grants and contracts	-	-	861,918	861,918
Sales and service of educational activities	1,349,489	-	-	1,349,489
Other sources	93,469	167,746	7,892	269,107
Total revenues	8,710,748	167,746	2,012,060	10,890,554
Expenditures:				
Research	8,198,498	-	2,004,357	10,202,855
Institutional support	697,157	-	-	697,157
Operation and maintenance of plant	109,561	-	-	109,561
Other	-	262,624	7,703	270,327
Total expenditures	9,005,216	262,624	2,012,060	11,279,900
Transfers and other additions (deductions):				
Transfers	(84,941)	-	-	(84,941)
Excess of restricted receipts over transfers to revenue	-	-	$ 65,723	65,723
Net increase (decrease) in fund balance	$ (379,409)	$ (94,878)	$ 65,723	$ (408,564)

See notes to financial statements

MONTANA AGRICULTURAL EXPERIMENT STATION

NOTES TO FINANCIAL STATEMENTS

June 30, 1983

1. Summary of significant accounting policies

Related parties:

Montana State University, Montana Agricultural Experiment Station and Montana Cooperative Extension Service are related through common management and control; however, they are separate and distinct agencies and they receive separate federal and state appropriations. These agencies have certain related party transactions, including sharing office facilities, management and accounting and office services. The accounts of Montana State University and Montana Cooperative Extension Service have not been included in the accompanying financial statements.

Financial statements:

The accompanying financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles for colleges and universities.

The statement of current funds revenues, expenditures and other changes is a statement of financial activities of current funds related to the current reporting period and does not purport to present the results of operations or the net income or loss for the period.

The debit fund balance of $61,226 in designated funds is a temporary condition which resulted when experimental livestock was purchased this period. This will be reversed to a credit balance when the animals are sold.

Fund accounting:

The accounts of the Station are maintained in accordance with the principles of fund accounting wherein resources are classified for accounting purposes into funds that are identified by the limitations and restrictions placed upon their use. Separate accounts are maintained for each fund, however, accounts with common characteristics are combined into groups and reflected as such in the accompanying financial statements.

Plant and equipment:

At June 30, 1983 investment in plant was adjusted $78,737 to reflect the totals in the property control subsidiaries.

MONTANA AGRICULTURAL EXPERIMENT STATION

NOTES TO FINANCIAL STATEMENTS

June 30, 1983

1. Summary of significant accounting policies (continued)

Depreciation:

No provision has been made for depreciation of plant facilities in accordance with generally accepted accounting principles for colleges and universities.

Allowance of Bad Debts:

An allowance for bad debts has not been recorded. Losses from bad debts are recorded as adjustments to revenue in the year in which they are deemed uncollectable.

Allocated for encumbrances:

The Station records encumbrances as expenditures in conformance with the Statewide Budgeting and Accounting System.

At June 30, 1983, the Station had encumbered $100,358 of funds that are not included in expenditures in the accompanying financial statements. The accrual basis of accounting provides that expenditures include only amounts associated with goods and services received and that liabilities include only the unpaid amounts associated with such transactions.

Investments:

Investments are carried at cost, which approximate market value at June 30, 1983.

Livestock and other:

Livestock is purchased and raised for experimental purposes. The revenues from sales of livestock are recorded in the general operating fund, except when a breeding animal is sold and is expected to be replaced; then sales proceeds are recorded in designated funds and are used for replacements as needed. Livestock is carried at current market value and any differences from the prior year values are recorded in the plant fund; this value was adjusted $329,358. Other additions to investment in plant include $46,180 to buildings from MSU funds and $5,427 from CES funds at June 30, 1983.

2. Investments

Investments at June 30, 1983 consist of the following:

	Cost
Montana short-term investment pool	$ 860,376
	$ 860,376

Investments at June 30, 1983 are owned by the following funds:

Current funds:	
General operating	$ 680,407
Restricted	67,028
Plant funds:	
Unexpended	46,303
Renewals and replacements	66,638
	$ 860,376

3. Retirement plans

All of the Station's full-time employees are members of the Montana Public Employees Retirement System or the Montana Teachers Retirement System. Employer contributions to these systems totaled $315,005 for the year ended June 30, 1983.

4. Commitments and contingencies

Compensated absences:

As of December 31 of each year, employees can accumulate vacation leave up to twice the number of leave days earned annually and sick leave can be accumulated without limitation. Upon termination, the employee is paid the accumulated vacation leave and 25% of the accumulated sick leave; the value of the accumulations was $965,468 at June 30, 1983. Vacation and sick leave payments are recorded as an expenditure at the time they are paid to the employee.

Leases:

The Station reserves the right to limit the amount of expenditures associated with leave contracts without penalty when in the sole judgment of the Station annual funding or program changes necessitate. Lease agreements for various purposes and time periods totaled $98,489 at June 30, 1983.

AGRICULTURAL EXPERIMENT STATION
BALANCE SHEETS
Year Ended June 30, 1982

ASSETS

ENT FUNDS:		
Unrestricted:		
General operating:		
Cash		
Accounts receivable		$ 611,480
Due from other fund groups		174,707
Investments (Note 2)		11,000
		966,777
Total general operating		1,763,964
Designated:		
Cash		44,318
Accounts receivable		4,505
Total designated		48,823
Total unrestricted		1,812,787
Restricted:		
Cash overdraft		60,676
Accounts receivable		433,084
Investments (Note 2)		54,056
Total restricted		547,816
Total current funds		$ 2,360,603
NT FUNDS:		
Unexpended:		
Cash (Note 1)		$ (5,932)
Accounts receivable		47,787
Investments (Note 2)		2,697
Total unexpended		44,552
Renewals and replacements:		
Cash		145
Due from other fund groups		1,100
Investments (Note 2)		70,581
Total renewals and replacements		71,826
Investment in plant:		
Land and land improvements		1,293,912
Buildings		3,263,943
Equipment		3,561,442
Livestock		2,210,507
Total investment in plant		10,329,804
Total plant funds		$10,446,182

See notes to financial statements

LIABILITIES AND FUND BALANCES

CURRENT FUNDS:			
Unrestricted:			
General operating:			
Accrued payroll			$ 389,683
Accounts payable and accrued liabilities			252,831
Fund balance:			
Allocated for encumbrances		46,541	
Unallocated		1,074,909	
Total general operating			1,121,450
			1,763,964
Designated:			
Accrued payroll			4,007
Accounts payable and accrued liabilities			1,078
Due to other fund groups			10,000
Fund balance			33,738
Total designated			48,823
Total unrestricted			1,812,787
Restricted:			
Accrued payroll			82,014
Accounts payable and accrued liabilities			438,288
Due to other fund groups			1,000
Fund balance			26,514
Total restricted			547,816
Total current funds			$ 2,360,603
PLANT FUNDS:			
Unexpended:			
Accrued payroll			$ 850
Accounts payable and accrued liabilities			1,805
Due to other fund groups			1,100
Fund balances			40,797
Total unexpended			44,552
Renewals and replacements:			
Fund balance			71,826
Total renewals and replacements			71,826
Investment in plant:			
Net investment in plant			10,329,804
Total investment in plant			10,329,804
Total plant funds			$10,446,182

2.

3.

4.

AGRICULTURAL EXPERIMENT STATION
STATEMENT OF CHANGES IN FUND BALANCES
Year Ended June 30, 1982

	Current Funds			Plant Funds		
	Unrestricted					
	General Operating	Designated	Restricted	Unexpended	Renewals and Replacements	Investment in Plant
nd other additions:						
funds revenue	$8,202,820	$ 110,613	$1,943,245	$ -	$ -	$ -
neous income	-	-	-	197,831	11,144	-
for plant facilities						
ding $397,508 charged to						
nt funds)	-	-	-	-	-	565,710
ivestock to current						
value (Note 1)	-	-	-	-	-	224,571
l revenue and other						
ditions	8,202,820	110,613	1,943,245	197,831	11,144	790,281
es and other deductions:						
funds expenditures	8,060,238	170,955	1,894,135	-	-	-
for plant facilities						
ding $21,986 non-capital						
ditures)	-	-	-	181,206	8,982	-
l expenditures and other						
ductions	8,060,238	170,955	1,894,135	181,206	8,982	-
se (decrease) in fund balance	142,582	(60,342)	49,110	16,625	2,162	790,281
ce at beginning of year as						
ly reported	925,147	94,080	8,936	24,568	69,664	10,566,666
adjustments:						
	61,668	-	11,840	(396)	-	-
ures	(7,947)	-	(43,372)	-	-	-
subsidiaries (Note 1)	-	-	-	-	-	(1,027,143)
l prior year adjustments	53,721	-	(31,532)	(396)	-	(1,027,143)
ces at beginning of year as						
	978,868	94,080	(22,596)	24,172	69,664	9,539,523
ces at end of year	$1,121,450	$ 33,738	$ 26,514	$ 40,797	$ 71,826	$ 10,329,804

See notes to financial statements

2.

3.

4.

MONTANA AGRICULTURAL EXPERIMENT STATION
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
Year Ended June 30, 1982

	Unrestricted			
	General Operating	Designated	Restricted	Total
Revenues:				
Federal appropriations	$1,578,709	$ -	$ -	$ 1,578,709
State appropriations	4,838,241	-	62,835	4,901,076
Fed. grants and contracts	-	-	1,020,476	1,020,476
State grants and contracts	-	-	207,233	207,233
Private grants and contracts	-	-	600,443	600,443
Sales and service of educational activities	1,673,941	-	-	1,673,941
Other sources	111,929	110,613	3,148	225,690
Total revenues	8,202,820	110,613	1,894,135	10,207,568
Expenditures:				
Research	7,263,575	-	1,888,117	9,151,692
Institutional support	692,931	-	-	692,931
Operation and maintenance of plant	103,732	-	-	103,732
Other	-	170,955	6,018	176,973
Total expenditures	8,060,238	170,955	1,894,135	10,125,328
Transfers and other additions (deductions):				
Excess of restricted receipts over transfers to revenue	-	-	$ 49,110	49,110
Net increase (decrease) in fund balance	$ 142,582	$ (60,342)	$ 49,110	$ 131,350

See notes to financial statements

MONTANA AGRICULTURAL EXPERIMENT STATION

NOTES TO FINANCIAL STATEMENTS

June 30, 1982

1. Summary of significant accounting policies

Related parties:

Montana State University, Montana Agricultural Experiment Station and Montana Cooperative Extension Service are related through common management and control; however, they are separate and distinct agencies and they receive separate federal and state appropriations. These agencies have certain related party transactions, including sharing office facilities, management and accounting and office services. The accounts of Montana State University and Montana Cooperative Extension Service have not been included in the accompanying financial statements.

Financial statements:

The accompanying financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles for colleges and universities.

The statement of current funds revenues, expenditures and other changes is a statement of financial activities of current funds related to the current reporting period and does not purport to present the results of operations or the net income or loss for the period.

The unexpended plant funds cash overdraft of $5,932 is due to construction advances for the Eastern Agricultural Research Center. Required Statewide Budgeting and Accounting System borrowing entries were reversed for reporting purposes to reflect generally accepted accounting principles.

Fund accounting:

The accounts of the Station are maintained in accordance with the principles of fund accounting wherein resources are classified for accounting purposes into funds that are identified by the limitations and restrictions placed upon their use. Separate accounts are maintained for each fund, however, accounts with common characteristics are combined into groups and reflected as such in the accompanying financial statements.

Plant and equipment:

At June 30, 1982 investment in plant was adjusted $1,027,143 to reflect the totals in the property control subsidiaries.

MONTANA AGRICULTURAL EXPERIMENT STATION

NOTES TO FINANCIAL STATEMENTS

June 30, 1982

1. Summary of significant accounting policies (continued)

Depreciation:

No provision has been made for depreciation of plant facilities in accordance with generally accepted accounting principles for colleges and universities.

Allowance of Bad Debts:

An allowance for bad debts has not been recorded. Losses from bad debts are recorded as adjustments to revenue in the year in which they are deemed uncollectable.

Allocated for encumbrances:

The Station records encumbrances as expenditures in conformance with the Statewide Budgeting and Accounting System.

At June 30, 1982, the Station had encumbered $46,541 of funds that are not included in expenditures in the accompanying financial statements. The accrual basis of accounting provides that expenditures include only amounts associated with goods and services received and that liabilities include only the unpaid amounts associated with such transactions.

Investments:

Investments are carried at cost, which approximate market value at June 30, 1982.

Livestock:

Livestock is purchased and raised for experimental purposes. The revenues from sales of livestock are recorded in the general operating fund, except when a breeding animal is sold and is expected to be replaced; then sales proceeds are recorded in designated funds and are used for replacements as needed. Livestock is carried at current market value and any differences from the prior year values are recorded in the plant fund.

2. Investments

Investments at June 30, 1982 consist of the following:

	Cost
Montana short-term investment pool	$1,094,111
	$1,094,111

Investments at June 30, 1982 are owned by the following funds:

Current funds:	
General operating	$ 966,777
Restricted	54,056
Plant funds:	
Unexpended	2,697
Renewals and replacements	70,581
	$1,094,111

3. Retirement plans

All of the Station's full-time employees are members of the Montana Public Employees Retirement System or the Montana Teachers Retirement System. Employer contributions to these systems totaled $292,509 for the year ended June 30, 1982.

4. Commitments and contingencies

Compensated absences:

As of December 31 of each year, employees can accumulate vacation leave up to twice the number of leave days earned annually and sick leave can be accumulated without limitation. Upon termination, the employee is paid the accumulated vacation leave and 25% of the accumulated sick leave; the value of the accumulations was not available at June 30, 1983. Vacation and sick leave payments are recorded as an expenditure at the time they are paid to the employee.

Leases:

The Station reserves the right to limit the amount of expenditures associated with leave contracts without penalty when in the sole judgment of the station annual funding or program changes necessitate.

MONTANA COOPERATIVE EXTENSION SERVICE

AUDITOR'S REPORT AND AGENCY'S FINANCIAL STATEMENTS

STATE OF MONTANA

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122

ROBERT R. RINGWOOD
LEGISLATIVE AUDITOR

DEPUTY LEGISLATIVE AUDITORS:
JAMES H. GILLETT
FINANCIAL/COMPLIANCE AUDITS
SCOTT A. SEACAT
PERFORMANCE AUDITS

STAFF LEGAL COUNSEL
JOHN W. NORTHEY

The Legislative Audit Committee
of the Montana State Legislature:

We have examined the accompanying Balance Sheet of Cooperative Extension Service (CES) at June 30, 1982 and June 30, 1983, and the related Statements of Changes in Fund Balances and Current Funds Revenues, Expenditures, and Other Changes for each of the two fiscal years ended June 30, 1983. Our examination was made in accordance with generally accepted governmental auditing standards, and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Revenue and expenditures are overstated by $142,000 in fiscal year 1981-82 and $99,300 in fiscal year 1982-83 in the Designated Subfund as a result of the university's failure to eliminate interdepartmental transactions as described in Note 1.

The financial statements for fiscal year ended June 30, 1982 and June 30, 1983 do not reflect the liability of compensated absences as required by generally accepted accounting principles. At fiscal year ended June 30, 1982, the liability for MSU, AES and CES combined was $4,770,347. At fiscal year-end June 30, 1983, the liability for CES was $761,107.

The retirement plan footnote does not provide adequate disclosure. The retirement footnote disclosure should include information stating whether the retirement systems are actuarially sound.

In our opinion, except for the effects of the items discussed in paragraphs two, three, and four, the financial statements of the

Cooperative Extension Service present fairly the financial position of CES at June 30, 1982 and June 30, 1983, the changes in fund balances, and the current funds revenue, expenditures, and other changes for each of the two years ended June 30, 1983, in conformity with generally accepted accounting principles which have been applied on a consistent basis.

Respectfully submitted,

James H. Gillett, CPA
Deputy Legislative Auditor

January 27, 1984

Approved by:

Robert R. Ringwood
Legislative Auditor

MONTANA COOPERATIVE EXTENSION SERVICE
BALANCE SHEETS
Year Ended June 30, 1983

ASSETS		LIABILITIES AND FUND BALANCES	
RENT FUNDS:		CURRENT FUNDS:	
Unrestricted:		Unrestricted:	
General operating		General operating:	
Cash	$206,743	Accrued payroll	$215,570
Accounts receivable	112,000	Accounts payable and accrued liabilities	85,722
Due from other fund groups	1,099	Due to other fund groups	15,555
		Fund balance	2,995
Total general operating	319,842	Total general operating	319,842
Designated:		Designated:	
Cash	262,165	Accrued payroll	23,959
Accounts receivable	57,593	Accounts payable and accrued liabilities	72,999
Due from other fund groups	16,859	Due to other fund groups	920
Inventories	88,152	Fund balance	326,891
Total designated	424,769	Total designated	424,769
Total unrestricted	744,611	Total unrestricted	744,611
Restricted		Restricted:	
Cash	23,348	Accrued payroll	41,599
Accounts receivable	85,625	Accounts payable and accrued liabilities	34,190
Due from other fund groups	286	Due to other fund groups	1,769
Investments (Note 2)	1,060	Fund balance	32,761
Total restricted	110,319	Total restricted	110,319
Total current funds	$854,930	Total current funds	$854,930
NT FUNDS		PLANT FUNDS:	
Investment in plant		Investment in plant:	
Buildings	$ 32,332	Net investment in plant	$631,785
Equipment	599,453		
Total plant funds	$631,785	Total plant funds	$631,785

See notes to financial statements

MONTANA COOPERATIVE EXTENSION SERVICE
STATEMENT OF CHANGES IN FUND BALANCES
Year Ended June 30, 1983

	Unrestricted			Plant Funds
	General Operating	Designated	Restricted	Investment in Plant
Revenues and other additions:				
Current funds revenue	$3,906,606	$ 729,956	$ 850,524	$ -
Expended for plant facilities (including $110,902 charged to current funds expenditure)	-	-	-	110,902
Total revenues and other additions	3,906,606	729,956	850,524	110,902
Expenditures and other deductions:				
Current funds expenditures	3,878,545	733,211	871,368	-
Total expenditures and other deductions	3,878,545	733,211	871,368	-
Net increase (decrease) for the year	28,061	(3,255)	(20,844)	110,902
Fund balances at beginning of year as previously reported	49,235	333,644	47,420	563,167
Prior year adjustments:				
Revenues	(42,678)	2,335	7,632	-
Expenditures	(31,623)	(5,833)	(1,447)	-
Property subsidiaries (Note 1)	-	-	-	(42,284)
Total prior year adjustments	(74,301)	(3,498)	6,185	(42,284)
Fund balance at beginning of year as adjusted	(25,066)	330,146	53,605	520,883
Fund balance at end of year	$ 2,995	$ 326,891	$ 32,761	$ 631,785

See notes to financial statements

MONTANA COOPERATIVE EXTENSION SERVICE
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
Year Ended June 30, 1983

	Unrestricted			
	General Operating	Designated	Restricted	Total
Revenues:				
Federal appropriations	$ 1,794,846	$ -	$ 566,846	$2,361,692
State appropriations	2,111,760	-	58,682	2,170,442
Federal grants and contracts	-	-	35,488	35,488
State grants and contracts	-	-	21,516	21,516
Local grants and contracts	-	-	60,866	60,866
Private gifts, grants and contracts	-	-	123,904	123,904
Other sources	-	729,956	4,066	734,022
Total revenues	3,906,606	729,956	871,368	5,507,930
Expenditures:				
Public service	3,282,813	-	867,768	4,150,581
Institutional support	558,673	-	1,860	560,533
Operation and maintenance of plant	37,059	-	-	37,059
Other	-	733,211	1,740	734,951
Total expenditures	3,878,545	733,211	871,368	5,483,124
Transfers and other additions (deductions):				
Deficit of restricted receipts over transfer to revenue	-	-	(20,844)	(20,844)
Net increase (decrease) in fund balances	$ 28,061	$ (3,255)	$ (20,844)	$ 3,962

See notes to financial statements

MONTANA COOPERATIVE EXTENSION SERVICE

NOTES TO FINANCIAL STATEMENTS

June 30, 1983

1. Summary of significant accounting policies

Related parties:

Montana State University, Montana Agricultural Experiment Station and Montana Cooperative Extension Service are related through common management and control; however, they are separate and distinct agencies and they receive separate federal and state appropriations. These agencies have certain related-party transactions, including sharing office facilities, management, and accounting and office services. The accounts of Montana Agricultural Experiment Station and Montana State University have not been included in the accompanying financial statements.

Financial statements:

The accompanying financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles for colleges and universities except that unrestricted current designated interdepartmental transactions of $99,300 have not been eliminated.

The statement of current funds revenues and expenditures is a statement of financial activities of current funds related to the current reporting period and does not purport to present the results of operations or the net income or loss for the period.

Fund accounting:

The accounts of the Service are maintained in accordance with the principles of fund accounting wherein resources are classified for accounting purposes into funds that are identified by the limitations and restrictions placed upon their use. Separate accounts are maintained for each fund, however, accounts with common characteristics are combined into groups and reflected as such in the accompanying financial statements.

Inventory:

Inventory of paper and supplies are valued at cost (first-in, first-out method).

1. Summary of significant accounting policies (continued)

Plant and equipment:

At June 30, 1983, investment in plant was adjusted $42,284 to reflect the totals in the property control subsidiaries.

Depreciation:

No provision has been made for depreciation of plant facilities in accordance with generally accepted accounting principles for colleges and universities.

Allowance for Bad Debts:

An allowance for bad debts has not been recorded. Losses from bad debts are recorded as adjustments to revenue in the year in which they are deemed uncollectable.

2. Investments

Investments are carried at cost, which approximates market value; at June 30, 1983, investments consist of the following:

	Cost
Montana short-term investment pool	$1,060
	$1,060

Investments at June 30, 1983 are owned by the following fund:

Current funds:	
Restricted	$1,060
	$1,060

3. Retirement plans

All of the Service's full-time employees are members of the Montana Public Employees Retirement System, Montana Teachers Retirement System or the U.S. Civil Service Retirement System. Employer contributions to these systems totaled $301,483 for the year ended June 30, 1983.

4. Commitments and contingencies

Compensated absences:

As of December 31 of each year, employees can accumulate vacation leave up to twice the number of leave days earned annually and sick leave can be accumulated without limitation. Upon termination, the employee is paid the accumulated vacation leave and 25% of the accumulated sick leave; the value of these accumulations was $761,107 at June 30, 1983. Vacation and sick leave payments are recorded as an expenditure at the time they are paid to the employee.

Leases:

The Service reserves the right to limit the amount of expenditures associated with lease contracts without penalty when in the sole judgment of the Service annual funding or program changes necessitate. Lease agreements for various purposes and time periods totaled $30,973 at June 30, 1983.

MONTANA COOPERATIVE EXTENSION SERVICE
BALANCE SHEETS
Year Ended June 30, 1982

ASSETS

DS:		
cted:		
l operating		
	$513,424	
from other fund groups	562	
tal general operating		513,986
sted:		
	204,234	
unts receivable	59,257	
from other fund groups	44,498	
ntories	111,373	
tal designated		419,362
Total unrestricted		933,348
ed:		
	44,316	
ts receivable	88,578	
ments	1,299	
Total restricted		134,193
Total current funds		$1,067,541
nt in plant:		
ngs	$ 31,991	
ent	531,176	
Total plant funds		$563,167

LIABILITIES AND FUND BALANCES

CURRENT FUNDS:		
Unrestricted:		
General operating:		
Accrued payroll		$203,403
Accounts payable and accrued liabilities		217,315
Due to other fund groups		44,033
Fund balance		49,235
Total general operating		513,986
Designated:		
Accrued payroll		21,510
Accounts payable and accrued liabilities		63,653
Due to other fund groups		555
Fund balance		333,644
Total designated		419,362
Total unrestricted		933,348
Restricted:		
Accrued payroll		49,515
Accounts payable and accrued liabilities		36,793
Due to other fund groups		465
Fund balance		47,420
Total restricted		134,193
Total current funds		$1,067,541
PLANT FUNDS:		
Investment in plant:		
Net investment in plant		$563,167
Total plant funds		$563,167

See notes to financial statements

MONTANA COOPERATIVE EXTENSION SERVICE
STATEMENT OF CHANGES IN FUND BALANCES
Year Ended June 30, 1982

	Unrestricted			Plant Funds
	General Operating	Designated	Restricted	Investment in Plant
Revenues and other additions:				
Current funds revenue	$3,470,125	$ 725,270	$ 799,135	$ -
Expended for plant facilities (including $75,800 charged to current funds expenditure)	-	-	-	75,800
Total revenues and other additions	3,470,125	725,270	799,135	75,800
Expenditures and other deductions:				
Current funds expenditures	3,431,516	615,937	807,665	-
Total expenditures and other deductions	3,431,516	615,937	807,665	-
Net increase (decrease) for the year	38,609	109,333	(8,530)	75,800
Fund balances at beginning of year as previously reported	54,313	224,598	44,279	790,047
Prior year adjustments:				
Revenues	(15,320)	1,784	24,858	-
Expenditures	(28,367)	(2,071)	(13,187)	-
Property subsidiaries (Note 1)	-	-	-	(302,680)
Total prior year adjustments	(43,687)	(287)	11,671	(302,680)
Fund balance at beginning of year as adjusted	10,626	224,311	55,950	487,367
Fund balance at end of year	$ 49,235	$ 333,644	$ 47,420	$ 563,167

See notes to financial statements

MONTANA COOPERATIVE EXTENSION SERVICE
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
Year Ended June 30, 1982

	Unrestricted			
	General Operating	Designated	Restricted	Total
Revenues:				
Federal appropriations	$ 1,631,962	$ -	$ 479,262	$2,111,224
State appropriations	1,838,163	-	77,600	1,915,763
Federal grants and contracts	-	-	73,475	73,475
State grants and contracts	-	-	18,635	18,635
Local grants and contracts	-	-	51,299	51,299
Private gifts, grants and contracts	-	-	102,891	102,891
Other sources	-	725,270	4,503	729,773
Total revenues	3,470,125	725,270	807,665	5,003,060
Expenditures:				
Public service	2,861,491	-	805,099	3,666,590
Institutional support	535,569	-	2,566	538,135
Operation and maintenance of plant	34,456	-	-	34,456
Other	-	615,937	-	615,937
Total expenditures	3,431,516	615,937	807,665	4,855,118
Transfers and other additions (deductions):				
Deficit of restricted receipts over transfer to revenue	-	-	(8,530)	(8,530)
Net increase (decrease) in fund balances	$ 38,609	$ 109,333	$ (8,530)	$ 139,412

See notes to financial statements

MONTANA COOPERATIVE EXTENSION SERVICE

NOTES TO FINANCIAL STATEMENTS

June 30, 1982

1. Summary of significant accounting policies

Related parties:

Montana State University, Montana Agricultural Experiment Station and Montana Cooperative Extension Service are related through common management and control; however, they are separate and distinct agencies and they receive separate federal and state appropriations. These agencies have certain related-party transactions, including sharing office facilities, management, and accounting and office services. The accounts of Montana Agricultural Experiment Station and Montana State University have not been included in the accompanying financial statements.

Financial statements:

The accompanying financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles for colleges and universities except that unrestricted current designated interdepartmental transactions of $142,000 have not been eliminated.

The statement of current funds revenues and expenditures is a statement of financial activities of current funds related to the current reporting period and does not purport to present the results of operations or the net income or loss for the period.

Fund accounting:

The accounts of the Service are maintained in accordance with the principles of fund accounting wherein resources are classified for accounting purposes into funds that are identified by the limitations and restrictions placed upon their use. Separate accounts are maintained for each fund, however, accounts with common characteristics are combined into groups and reflected as such in the accompanying financial statements.

Inventory:

Inventory of paper and supplies are valued at cost (first-in, first-out method).

1. Summary of significant accounting policies (continued)

Plant and equipment:

At June 30, 1982, investment in plant was adjusted $302,680 to reflect the totals in the property control subsidiaries.

Depreciation:

No provision has been made for depreciation of plant facilities in accordance with generally accepted accounting principles for colleges and universities.

Allowance for Bad Debts:

An allowance for bad debts has not been recorded. Losses from bad debts are recorded as adjustments to revenue in the year in which they are deemed uncollectable.

2. Investments

Investments at June 30, 1982 consist of the following:

	Cost
Montana short-term investment pool	$1,299
	$1,299

Investments at June 30, 1982 are owned by the following fund:

Current funds:	
Restricted	$1,299
	$1,299

3. Retirement plans

All of the Service's full-time employees are members of the Montana Public Employees Retirement System, Montana Teachers Retirement System or the U.S. Civil Service Retirement System. Employer contributions to these systems totaled $269,288 for the year ended June 30, 1982.

4. Commitments and contingencies

Compensated absences:

As of December 31 of each year, employees can accumulate vacation leave up to twice the number of leave days earned annually and sick leave can be accumulated without limitation. Upon termination, the employee is paid the accumulated vacation leave and 25% of the accumulated sick leave; the value of these accumulations was not available at June 30, 1982. Vacation and sick leave payments are recorded as an expenditure at the time they are paid to the employee.

4. Commitments and contingencies (continued)

Leases:

The Service reserves the right to limit the amount of expenditures associated with lease contracts without penalty when in the sole judgment of the Station annual funding or program changes necessitate.

AGENCY RESPONSE

msu

OFFICE OF THE PRESIDENT

MONTANA STATE UNIVERSITY BOZEMAN 59717

April 27, 1984

RECEIVED
MAY 2 1984
MONTANA LEGISLATIVE AUDITOR

Legislative Audit Committee of
the Montana State Legislature
Helena, MT 59601

Montana State University's response to the Legislative Auditor's Report dated April 13, 1984 covering the financial statements for the University, the Agricultural Experiment Station and the Cooperative Extension Service for the years ended June 30, 1982 and 1983 is submitted herewith.

Although the Audit Report itself stands as evidence of Montana State University's sound and responsible financial and business management, a comparison with previous audit reports emphasizes the progress the University has made in its business affairs over recent years. For example, the Audit Report for fiscal year 1970 contained 54 management recommendations; the 1974 Audit Report contained 48 management recommendations; the 1979 Audit Report contained 24 management recommendations; the 1981 Audit Report contained 18 management recommendations; and this Audit Report contains 10 management recommendations.

The staff of the Legislative Auditor's Office who performed this Legislative Audit were all of personal and professional quality with whom the staff of Montana State University was able to work in a personable and professional manner.

I look forward to meeting with the Audit Committee to discuss the Audit Report and our responses and any other issues that may be of interest to you.

Sincerely,

Stuart E. Knapp

Stuart E. Knapp
Acting President

SEK:el

Attachment

TELEPHONE (406)994-2341

RECOMMENDATION #1

We recommend the University properly eliminate interdepartmental transactions from its financial statements.

RESPONSE #1

We concur with the recommended change in financial statements but believe that our current method of recording in SBAS is more meaningful and consistent with State and University System budgeting and appropriation techniques.

RECOMMENDATION #2

We recommend the University record construction in progress in accordance with the University System Accounting Manual.

RESPONSE #2

Although we conditionally concur and USAM outlines an alternate procedure, MSU has consistently recorded state appropriations for long lived asset additions to MSU plant funds. The USAM Chapter 60, Section 10 Instruction implies these funds are not earned until expended; MSU does not support that interpretation. Prudent and informative management of these Long Range Building Program funds is better served by disclosing them as fund balance additions to unexpended plant funds when appropriated; and end of period balances should be displayed. Expenditure of these funds during the period would be additions to investment in plant. We will implement the above recommendation in preparing the financial statements.

RECOMMENDATION #3

We recommend the University:

A. Ensure charges to grantors are based on time and effort reports.

B. Make cost adjustments of $9,653 on National Science Foundation Grant number CME-7901636 and $2,865 on National Science Foundation Grant number PRM-8011449.

RESPONSE #3

Concur with Part A -- MSU has initiated appropriate procedures.

Do not concur with Part B -- MSU will deal with the Federal agencies on an individual basis when, and if, they contact us.

RECOMMENDATION #4

We recommend the University continue to work with U.S. Department of Education and resolve the issue of interest earnings on NDSL funds.

RESPONSE #4

We concur and have had numerous contacts with Department of Education attempting to resolve this problem.

RECOMMENDATION #5

We recommend MSU restrict the use of Federal cash to the applicable Federal programs in accordance with Federal regulations.

RESPONSE #5

We concur.

RECOMMENDATION #6

We recommend the University continue efforts to ensure all earned additional compensation is paid through the Payroll System.

RESPONSE #6

We concur and have reiterated the long standing MSU Payroll policies not only to the few offending individuals, but to all employees as well.

RECOMMENDATION #7

We recommend the University establish and follow adequate inventory count procedures.

RESPONSE #7

We concur and have taken steps to implement the recommendation.

RECOMMENDATION #8

We recommend the University follow State Purchasing law and policies.

RESPONSE #8

We concur that Montana State University should follow State Purchasing policies and procedures. We will continue to work with State Purchasing to secure acceptable quality products.

RECOMMENDATION #9

We recommend the University:

A. Comply with State law and notify the Surplus Property Bureau of items no longer needed by the University.

B. Enforce its requirement to notify Property Control prior to disposing items.

RESPONSE #9

We concur and make numerous attempts to see that departments follow these requirements.

RECOMMENDATION #10

We recommend the University seek legislation to change the law concerning Morrill Act Report due date.

RESPONSE #10

We concur and the Commissioner's Office will seek a change in the reporting requirement in State law.